GRAND LODGE DIRECTORY

C. J. CHAMBERLAIN, *President*
2247 W. Lawrence Avenue
Chicago, IL 60625

R. T. BATES, *Sec'y-Treas.*
2247 W. Lawrence Avenue
Chicago, IL 60625

A. E. LYON, *Pres. Emeritus*
1117 So. Wilke Road
Arlington Heights, IL 60005

JESSE CLARK, *Pres. Emeritus*
908 So. Park Drive
Terre Haute, IN 47802

Vice Presidents

W. W. ALTUS
220 South State Street
Chicago, IL 60604

J. T. BASS
Office 201
3121 East Colfax Avenue
Denver, CO 80206

W. D. BEST
2247 W. Lawrence Avenue
Chicago, IL 60625

C. S. CHANDLER
4243 Forest Avenue
Paducah, KY 42001

M. B. FRYE
2247 W. Lawrence Avenue
Chicago, IL 60625

B. H. STEUERWALD
Room 804, 400 First St., N.W.,
Washington, DC 20001

Grand Lodge Representatives

G. F. HARPER
2247 W. Lawrence Avenue
Chicago, IL 60625

W. B. HARWELL, JR.
2247 W. Lawrence Avenue
Chicago, IL 60625

R. R. MITCHELL
1819 Pembina Highway
Winnipeg R3T 2G6,
MB, Canada

J. E. PLATT
Room 508, Crescent Bldg.
1411 Crescent Street
Montreal 107, PQ, Canada

J. W. WALSH, JR.
2247 W. Lawrence Avenue
Chicago, IL 60625

Board of Trustees

W. W. LAUER, *Chairman*
122 W. Franklin Avenue
Monmouth, IL 61462

G. A. HARRINGTON, *Secretary*
P. O. Box 489
Cheraw, SC 29520

J. E. Dubois, Member
Room 508, Crescent Bldg.
1411 Crescent Street
Montreal 107, Que. Can.

OFFICIAL PUBLICATION BROTHERHOOD OF RAILROAD SIGNALMEN

J. W. Walsh, Jr., Editor

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JOURNAL COVER PHOTO

Queen of the old-time steam locomotives is Southern Railway's famed Dixie iron dowager #4501 built in the Baldwin Shops at Philadelphia in 1911. For decades a retired victim of the diesel age, she has been restored to her original elegance and has a special date June 29 to pull the "Old Milwaukee Special," a real 29-car circus train loaded with 68 fabulous and historic parade wagons from the celebrated Circus World Museum at Baraboo, Wis., to the lakefront Showgrounds in Milwaukee as the opening gun of a six-day patriotic salute called "Old Milwaukee Days" climaxed by the great Schlitz Circus Parade revival on the Fourth of July.

POSTMASTER'S NOTE: Please report all undeliverable magazines to The Signalman's Journal, 2247 Lawrence Ave., Chicago, Ill. 60625 on Form 3579.
ADDRESS CHANGE: B. of R.S. members or other subscribers should promptly advise the editorial office, 2247 Lawrence Ave., Chicago, Ill. 60625 if this magazine is coming incorrectly addressed or if they change their address. A Change of Address Form is printed in each issue for that purpose.
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INTERNATIONAL LABOR PRESS AFL-CIO ASSOCIATION

A Message From President C.J. Chamberlain

IN THE APRIL AND MAY issues of the Signalman's Journal we reported on the tentative agreement reached with the National Railway Labor Conference on our retirement—wage movement.

As you know, the agreement was overwhelmingly ratified by our General Chairmen by a substantial majority and we are now working jointly with our Joint Committee and representatives of the National Railway Labor Conference to have the legislation enacted by Congress which is necessary to implement the agreement that has been negotiated.

Legislation was introduced by Congressman Harley Staggers (Bill H.R. 7200) and hearings were held before the full House Interstate and Foreign Commerce Committee on May 1 and 2, 1973.

We are pleased to report that H.R. 7200 (Railroad Retirement - Temporary Benefit Increase Extension) was passed by the House of Representatives on May 22, 1973, by a vote of 387 to 5. In an earlier vote a motion to recommit the bill to committee was defeated by a vote of 393 to 10.

Unquestionably, this is a tremendous victory in the House of Representatives and each member of the House who voted for this legislation is to be commended for his support.

We are now moving to progress this bill through the Senate and hearings are scheduled to be held before the Senate Subcommittee on Railroad Retirement of the Labor and Public Welfare Committee on May 30 and 31, 1973. Tentative hearings are scheduled to be held a week later before the Senate Commerce Committee on Title II of the bill, and we anticipate floor action by the Senate around the week of June 18, 1973.

We are confident that this legislation will be enacted and signed by the President prior to the deadline date of June 30, 1973, the date Section 6 of Public Law 92-460 providing for the 20% increase in annuities as well as the other previous increases in annuities expires.

We respectfully urge each of you to write your Congressman and Senator and tell them to support Bill H.R. 7200 as it provides for a major first step toward solving the retirement problems of our railroad retirement system.

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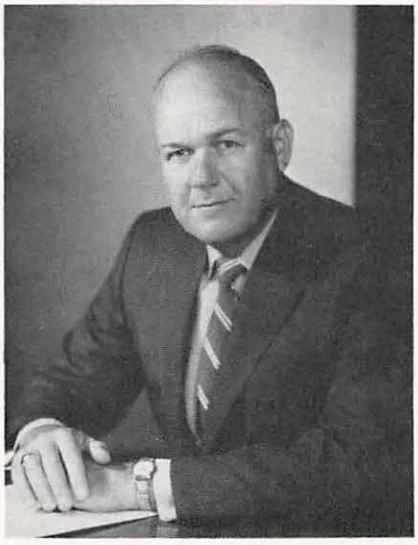
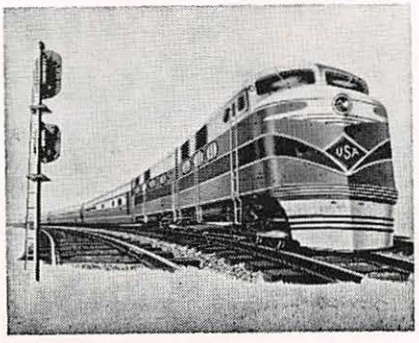


In the April issue of the Journal we commented on the referendum proposal of October 27, 1972, and the apparent reasons for its defeat. In our April message we stated that: "It is our considered judgment, that the only fair and equitable policy to follow is to establish a uniform dues structure geared to the minimum hourly rate of pay of mechanics. In that way each member of our Brotherhood would pay the same amount of dues which would be escalated automatically as wages are increased. It will be our recommendation to the next Convention in July that such a formula be worked out and adopted." Since writing that article, we have had numerous discussions with Local Lodge Officers, General Chairmen, and many members in connection with the referendum proposal.

It seems to be the general consensus of those with whom we have discussed the referendum, that if the referendum proposal were modified to deal only with Grand Lodge per capita tax and provide that Grand Lodge per capita tax be increased and structured according to the respective minimum hourly rate of pay of mechanics in the United States and Canada, such a proposal would be acceptable and would receive their support.



In view of this consensus, which in our estimation reflects the views of a substantial majority, the Committee on Laws has taken this into consideration and will present such a recommendation to the forthcoming Convention.

The Committee on Laws has spent considerable time working out recommendations on Constitutional resolutions received from our Locals, as well as recommendations of Grand Lodge which they consider to be necessary to improve and strengthen our organization and its operation.

We are confident that the delegates will respond accordingly at the Convention and take action to insure that our organization is placed in a strong, solvent financial condition which will permit it to continue to progress in the future as we continually strive to improve for our members their wages, fringe benefits, working conditions, health and welfare program and our retirement system.

Arctic Railroad Proposed To Haul Alaska Oil To U.S.

THE CANADIAN RAILWAY Labour Association, is backing a proposal to build a railroad to the Arctic to haul Alaskan oil to the USA. A study released recently by the Queen's University Canadian Institute of Guided Ground Transport, said that oil from Alaska's North Slope could be brought to the U.S. by rail more economically and with less damage to the environment.

The Institute estimated the cost at $1.07 a barrel. Moving the oil by the proposed trans-Alaska pipeline would cost $1.30 a barrel. The Institute's study said that rails could haul any product which the north may yield, such as mining and timber, whereas a pipeline could transport only liquids or gases.

As for environmental concerns, the study showed that a railway requires only a narrow right-of-way, carries its own ballast and provides necessary fill with a minimum disruption of the terrain.

Signalmen Sign Sickness Agreement

PRESIDENT C. J. CHAMBERlain, Vice President C. S. Chandler and Vice President W. D. Best have completed negotiations pursuant to the Letter of Agreement made part of and attached to the November 16, 1971 Mediation Agreement, covering supplemental sickness benefits.

The **SUPPLEMENTAL SICKNESS BENEFIT AGREEMENT,** signed May 9, 1973, is historic. Beginning July 1, 1973, it will provide to approximately 110,000 Signalmen and Shop Craft employes benefits for every day for as long as one full year following lost time due to illness or accident which lasts more than four (4) calendar days.

More than 85 percent of the members of the Brotherhood of Railroad Signalmen fall within the definition of Class 1 employes and will qualify for $315 per month over and above Railroad Retirement Unemployment Insurance Act benefits of $12.70 per day. After waiting periods under each plan have been satisfied, such Class 1 employe could receive $137.00 benefits a week until RUIA benefits have been exhausted. Afterwards, benefits amounting to $120.19 would be payable under the agreement for the balance of the benefit year.

PROVIDENT is the insurance carrier which was chosen by Brotherhood and Railroad negotiators to provide the insurance coverage under the agreement. Booklets containing details of the plan and application forms are being prepared and will be available for distribution to the membership. The agreement is reproduced below for your information and should be retained in your files for reference later.

Supplemental Sickness Benefit Agreement

THIS AGREEMENT, made this 9th day of May, 1973, by and between the participating carriers listed in Exhibit A, attached hereto and hereby made a part hereof, and represented by the National Carriers' Conference Committee, and the employes of such carriers shown thereon and represented by the Brotherhood of Railroad Signalmen, witnesseth:

IT IS AGREED:

1. **Establishment of Supplemental Sickness Benefit Plan.** Effective July 1, 1973 a Supplemental Sickness Benefit Plan (hereinafter referred to as this Plan) is established to cover railroad shop craft and signal employes. The benefits to be provided, the qualifying conditions, and the administration of this Plan are set forth in the paragraphs which follow.

2. **Eligibility for Benefits: Eligible Employes, Insured Employes, Qualified Employes.**

(a) **Eligible Employes.** Subject to the provisions of Paragraph 3, benefits will be provided employes under this Plan if, as the result of an accidental bodily injury which occurred or a sickness which commenced while the employe was insured, the employe is disabled to the extent that he is unable to perform the duties of any job available to him in his craft, or, if there is no job available to him in his craft to the extent that he is unable to perform the duties of the last job on which he worked prior to commencement of the disability. Employes eligible for benefits are designated "Eligible Employes."

(b) **Insured Employes.** A qualified employe will be insured each month which follows a month in which he rendered compensated service for a participating railroad under the coverage of a schedule agreement held by a labor organization of shop craft or signal employes, or takes vacation with pay for which he has qualified under a schedule agreement held by a labor organization of shop craft or signal employes. A qualified employe previously insured who ceased to be insured because of disability (as defined in Paragraph 2(a)), furlough, leave of absence or discharge, and who returns to work for the same railroad, or who commences work for another railroad at the direction of the management of his home road or by virtue of his seniority on his home road or under the provisions of a protective agreement or order of a regulatory authority, within twelve calendar months after his insurance had terminated, shall again become insured on the day on which he again renders compensated service under the coverage of a schedule agreement held by a labor organization of shop craft or signal employes, and his insurance shall continue for the remainder of that calendar month. An employe who while insured leaves the service of one railroad, and without missing more than one week of work returns to work for another railroad on which he is already a qualified employe, will continue to be insured for the remainder of that calendar month.

Note: The term "insured" in this Paragraph 2 does not necessarily imply coverage by a contract of insurance as referred to in Paragraph 7.

(c) **Qualified Employes.** A qualified employe is one who—

(i) has completed 30 days of continuous employment relationship with the same participating railroad, in a capacity in which he has been represented by a labor organization or organizations of shop craft or signal employes and covered by its or their schedule agreements, and

(ii) is a "Qualified Employe" as that term is used in Section 3 of the Railroad Unemployment Insurance Act, reading as follows:

> "An employe shall be a 'qualified employe' if the Board finds that his compensation will have been not less than $1,000 with respect to the base year, and, if such employe has had no compensation prior to such year, that he will have had compensation with respect to each of not less than seven months in such year."

The term "base year" means the completed calendar year immediately preceding the beginning of a benefit year. The term "benefit year" means for purposes of the above definition the twelve-month period beginning July 1 of any year and ending June 30 of the next year. In arriving at the $1,000, only the first $400 of compensation in any month is counted. If the Act should be amended so as to change the definition of "qualified employe" or the associated elements mentioned above during the life of this Agreement, this Paragraph 2(c) will be regarded as amended in conformity with the Act.

An employe will become a qualified employe the first day of the calendar month after he fulfills both such conditions. The requirement of Subparagraph (c) (i) will

be waived with respect to an insured employe who is furloughed and while insured commences work for another participating railroad.

3. **Exclusions and Limitations.** No benefits will be provided under this Plan—

(a) for the first four days of any disability;

(b) for a longer period, with respect to any disability, than twelve months. Continuing or successive periods of disability will be considered as the same disability unless separated by return to work on a full-time basis for a period of 90 calendar days or more, or unless due to entirely unrelated causes and separated by return to work on at least one day. If benefits are denied in accordance with Subparagraph (j) below because the employe received vacation pay during his disability, the twelve months period specified above shall be extended by the period during which benefits were denied for that reason;

(c) for any disability for which the employe is not treated by a duly qualified physician or surgeon, as certified by the physician or surgeon pursuant to Paragraph 9;

(d) for any day on which the employe performs work for remuneration;

(e) for any disability commencing after the employe has commenced work on a regular or permanent basis for the participating railroad on a position other than a position coming under a schedule agreement held by a labor organization of shop craft or signal employes, unless the last position on which he rendered service prior to the disability was a position coming under a schedule agreement held by a labor organization of shop craft or signal employes;

(f) for any intentionally self-inflicted disability;

(g) for disability to which the contributing cause was the commission or attempted commission by the employe of an assault, battery or felony;

(h) for disability due to war or act of war, whether war is declared or not, insurrection or rebellion, or due to participation in a riot or civil commotion;

(i) for any period during which an employe is unable to work as the result of pregnancy or resulting childbirth, abortion or miscarriage, except that, subject to the other provisions of this Paragraph 3, benefits will be provided in case of miscarriage resulting from an accident or injury;

(j) subject to the provisions of Paragraph 5(a), for any period during which an employe eligible to receive sickness benefits under the Railroad Unemployment Insurance Act is denied such benefits for any reason including failure by the employe to make application for benefits;

(k) after the employe has attained 65 years of age; or

(l) for any disability commencing after the employe's employment relationship has terminated, except as provided in the last sentence of Paragraph 2(b).

4. **Benefits.**

(a) Subject to the provisions of Subparagraph 4(b), the monthly benefit under this Plan for employes eligible to receive sickness benefits under the Railroad Unemployment Insurance Act will be the amount shown in Column 4 of Schedule A below, and the monthly benefit under this Plan for employes not eligible to receive sickness benefits under the Railroad Unemployment Insurance Act will be the amount shown in Column 6 of Schedule A below, determined on the basis of the rate of pay (including any differentials regularly paid on the position) as of December 31, 1972, as shown in Column 2 or Column 3, of the last position on which the employe rendered service prior to commencement of the disability:

A. Benefit Schedule

Last Position on Which Service Was Rendered Prior to Disability	Rate of Pay as of Dec. 31, 1972 Hourly	Rate of Pay as of Dec. 31, 1972 Monthly	Benefit: Employes Eligible for RUIA Sickness Benefits Per Month	Benefit: Employes Eligible for RUIA Sickness Benefits Per Day	Benefit: Employes Not Eligible for RUIA Sickness Benefits* Per Month	Benefit: Employes Not Eligible for RUIA Sickness Benefits* Per Day
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Class 1—Mechanics' or comparable or higher rated positions	$5.15 or above	$895.00 or above	$315	$10.50	$515	$17.17
Class 2—Helpers' or comparable positions, rated below mechanics'	$4.20 & less than $5.15	$730.00 & less than $895.00	$222	$ 7.40	$422	$14.07
Class 3—Lower rated positions	Below $4.20	Below $730.00	$171	$ 5.70	$371	$12.37

*Applies to employes who are eligible for benefits under this Plan who have exhausted their sickness benefits under the Railroad Unemployment Insurance Act. Does not apply during the 5th, 6th and 7th days of a disability when the employe is eligible for benefits under this Plan and under the Act but no benefits may be payable under the Act. (Sickness benefits under the Act commence with the eighth day of sickness in the first registration period, in a benefit year, in which the employe has seven or more days of sickness.)

Note: Weekly rated positions will be classified with reference to Column 3 of Schedule A on the basis of the weekly rate multiplied by 4⅓.

For disabilities lasting less than a month, and for any residual days of disability lasting more than an exact number of months, benefits will be paid on a calendar days basis at 1/30 of the monthly benefit rate, as shown in Columns 5 and 7 of Schedule A.

(b) If the Railroad Unemployment Insurance Act should be so amended as to increase daily benefit rates thereunder for days of sickness, and the sum of 21.75 times the average daily benefit for the Class under the Act as so amended, as identified below, plus the amounts shown in Column 4 of Schedule A above should exceed the amounts in Column 5 of Schedule B below, the amounts shown in Columns 4 and 5 of Schedule A shall be reduced to the extent that the sum of the amounts shown in Column 4 plus 21.75 times the average daily benefit for the Class under the amended Act, as identified below, will not exceed the amounts shown in Column 5 of Schedule B. "The average daily benefit for the Class under the Act as so amended" for purposes of this Paragraph 4(b) is the benefit which would be payable to an employe who had worked full time in his base year and whose rate of pay at the December 31, 1972 wage level was:

For employes in Class 1—$5.25
For employes in Class 2—$4.50
For employes in Class 3—$4.00

B. Limit Schedule

Last Position on Which Service was Rendered Prior to Disability	Rate of Pay as of December 31, 1972 Hourly	Rate of Pay as of December 31, 1972 Monthly	Average Straight Time Monthly Earnings	70% of Average Straight Time Monthly Earnings
(1)	(2)	(3)	(4)	(5)
Class 1—Mechanics' or comparable or higher rated positions	$5.15 or above	$895.00 or above	$925.00	$647.50
Class 2—Helpers' or comparable positions, rated below mechanics'	$4.20 & less than $5.15	$730.00 & less than $895.00	$780.00	$546.00
Class 3—Lower rated positions	Below $4.20	Below $730.00	$700.00	$490.00

5. Offsets

(a) **Benefits Provided under Laws.** In any case in which an eligible employe who is not eligible for sickness

benefits under the Railroad Unemployment Insurance Act receives annuity payments under the Railroad Retirement Act, or insurance benefits under Title II of the Social Security Act, or unemployment, maternity or sickness benefits under an unemployment, maternity or sickness compensation law, or any other social insurance payments under any law, the benefit which would otherwise be payable to him under this Plan will be reduced to the extent that the sum of such payments or benefits in a month plus the monthly benefit payable under this Plan will not exceed the amount shown in Column 5 of Schedule B in Paragraph 4(b). In keeping with Paragraph 3(j), in any case in which an eligible employe who is eligible for sickness benefits under the Railroad Unemployment Insurance Act does not receive such benefits because of the operation of Section 4(a-1) (ii) of such Act, the benefit which would otherwise be payable to him under this Plan will be reduced to the extent that the sum of the monthly payments or benefits referred to in such Section 4(a-1) (ii) plus the monthly benefit payable under this Plan will not exceed the amount shown in Column 5 of Schedule B in Paragraph 4(b). In any case of retroactive award of annuity payments or pensions under the Railroad Retirement Act or insurance benefits under Title II of the Social Security Act, or unemployment, maternity or sickness benefits under an unemployment, maternity or sickness compensation law, or other social insurance payments under any law, the employing railroad, or the insuring agent if one is involved, may recover from the employe the excess of benefits paid under this Plan over the benefits which would have been payable under this paragraph if the retroactively awarded payments, pensions or benefits had been in effect from their retroactive effective date.

(b) **Benefits Provided under Other Private Plans.** In any case in which an eligible employe is eligible also for benefits under any plan, fund or other arrangement, by whatever name called, toward the cost of which any employer shall have contributed, including but not limited to any group life policy providing installment payments in event of permanent total disability, any group annuity contract, any pension or retirement annuity plan, or any group policy of accident and health insurance (other than an insurance policy insuring this supplemental sickness benefit plan as referred to in Paragraph 7) providing benefits for loss of time from employment because of disability, his benefit under this Plan shall be reduced to the extent that the sum of the benefit for which he is so eligible in a month, plus 21.75 times the daily sickness benefit payable to him under the Railroad Unemployment Insurance Act, plus the monthly benefit payable to him under this Plan, will not exceed the amount shown in Column 5 of Schedule B in Paragraph 4(b).

(c) **Off-Track Vehicle Accident Benefits.** The benefit payable under this Plan for an employe who has been injured in an off-track vehicle accident covered under Article IV of the Agreements of October 7, 1971, February 11, 1972, May 12, 1972, or April 21, 1969, or similar provisions, will be reduced by the amount of any payment for time lost which such employe may receive under Paragraph (b) (3) of such Article IV or under provisions similar thereto.

6. **Liability Cases.** In case of a disability for which the employe may have a right of recovery against either the employing railroad or a third party, or both, benefits will be paid under this Plan pending final resolution of the matter so that the employe will not be exclusively dependent upon his sickness benefits under the Railroad Unemployment Insurance Act. However, the parties hereto do not intend that benefits under this Plan will duplicate, in whole or in part, any amount recovered for loss of wages from either the employing railroad or a third party, and they intend that benefits paid under this Plan will satisfy any right of recovery for loss of wages against the employing railroad to the extent of the benefits so paid. Accordingly, benefits paid under this Plan will be offset against any right of recovery for loss of wages the employe may have against the employing railroad; the employing railroad, or the insuring agent if one is involved, will be subrogated to any right of recovery for loss of wages the employe may have against any party other than the employing railroad; as a condition to paying any benefits under this Plan the employing railroad, or the insuring agent if one is involved, may require the employe to assign to it any such recovery or right thereto from any party other than the employing railroad to the extent that benefits are payable under this Plan; and on any recovery for loss of wages from any party other than the employing railroad, the employe will reimburse the employing railroad, or the insuring agent if one is involved, from such recovery for any benefits paid under this Plan. For purposes of this Paragraph, a recovery which does not specify the matters covered thereby shall be deemed to include a recovery for loss of wages to the extent of any actual wage loss due to the disability involved.

7. **Provision of Benefits.**

(a) The National Carriers' Conference Committee and the labor organizations of shop craft and signal employes will jointly select insurance companies which will be invited to submit proposals to insure the Shop Crafts —Signalmen's Supplemental Sickness Benefit Plan written in keeping with the provisions set forth in this Agreement at a monthly premium rate of $10.25 per covered employe, for the 30-month period from July 1, 1973 through December 31, 1975 for employes of such railroads as elect to participate in such national insurance contract. The insurer which submits the most favorable proposal will be selected as the insurer of the national insurance contract. The National Carriers' Conference Committee in consultation with the labor organizations of shop craft and signal employes will then work out the details of the national insurance contract, which will be issued to the participating railroads as policyholder.

(b) Such insurance contract may cover, in addition to employes parties to this Agreement, other railroad shop craft and/or signal employes who are employed by railroads parties to this Agreement or by other railroads, whether or not such employes are represented by the signatory labor organizations, and may cover general chairmen or other full-time representatives of shop craft or signal employes, provided that there will be no difference between the benefits, premium rates and payment obligations applicable to or with respect to such employes and general chairmen and the benefits, premium rates and payment obligations applicable to or with respect to employes covered by this Agreement, except that as to such general chairmen and full-time representatives the payment obligations will be met by the individuals involved who will make their remittances through the labor organizations involved.

(c) It is agreed, and the insurance contract will provide, that the insurer of the national insurance contract will provide the benefits herein provided for under the conditions herein set forth for the 30-month period from July 1, 1973 through December 31, 1975; that the insurer will furnish financial data, statistical and actuarial

reports, and claim experience information to the labor organizations signatory to this Agreement in the same detail and at the same time that it furnishes such data to the policyholder railroads; and that any dividends or retroactive rate refunds will be paid into the fund established pursuant to the next following paragraph.

(d) The National Carriers' Conference Committee will establish a fund, to be held by the insurer, to which will be credited any dividends or retroactive rate refunds under the national insurance contract and interest on the amount in the fund. Withdrawals may be made from such fund only to provide supplemental sickness benefits for shop craft and signal employes unless otherwise agreed to.

(e) Insurance under this Plan will become effective July 1, 1973 for qualified employes who will have rendered compensated service or taken vacation with pay, as specified in Paragraph 2(b) above, in June 1973.

(f) The first premium payment of $10.25 per employe to the insurer of the national insurance contract will be made in relation to covered employes who will have rendered compensated service in July 1973, and will be payable by August 15, 1973. A premium payment will be made for each calendar month thereafter during the effectiveness of the insurance contract in relation to covered employes who will have rendered compensated service in the calendar month involved; each payment will be payable by the 15th of the following calendar month. A grace period of 31 days is to be provided for the payment of every premium after the first.

(g) All employes covered by schedule agreements held by the labor organizations of shop craft and signal employes who render any compensated service in the calendar month involved will be counted in determining the number of covered employes with respect to whom premium payments are made, except that no employe will be counted if he is counted by another railroad in determining the number of its covered employes with respect to whom it is making premium payments.

(h) The insurance contract will provide that, if the Benefit Schedule should be reduced in accordance with Paragraph 4(b) as the result of an increase in Railroad Unemployment Insurance Act sickness benefits, there will be an appropriate adjustment in premium rates with the new premium rates to be developed in the light of experience under the insurance contract and actuarial estimates of future experience, making appropriate allowance for cost of administration.

(i) A railroad party to this Agreement may at its option provide the benefits required by this Agreement under the national insurance contract provided for in the foregoing paragraphs, or under a contract of insurance which such railroad may enter into on its own behalf, or as self-insurer. The benefits will be the same however provided. A railroad which becomes a party to the national insurance contract as of July 1, 1973 will continue to be a party thereto through December 31, 1975. The insurer of any railroad which provides the benefits required by this Agreement under a contract of insurance other than the national insurance contract will furnish the organization representatives on the property (with copy to the President, Brotherhood of Railroad Signalmen) financial data, statistical and actuarial reports, and claim experience information in the same detail and as soon as it furnishes such data to the railroad.

8. **Railroad Retirement Board.** The National Railway Labor Conference and the labor organizations of shop craft and signal employes will jointly request the Railroad Retirement Board to establish such administrative procedures as may be feasible to facilitate the administration of this Agreement.

9. **Evidence of Disability.** Benefits under this Plan will be paid to eligible employes, by the employing railroad or the insuring agent if one is involved, subject to presentation of satisfactory evidence of disability and of the continuation thereof. The employing railroad or the insuring agent will furnish appropriate forms on which the employe may furnish notice of disability, including information necessary to establish his eligibility for benefits and information pertinent to the amount of benefits due him and any applicable exclusions, limitations and offsets, and forms on which the physician or surgeon treating him may furnish evidence of the date of commencement, nature, extent, and probable duration of the disability, and may require completion of such forms or statements covering the same matters within 90 days after the commencement of a disability, provided that failure to furnish completed forms or statements within that time shall not invalidate or reduce any claim if it was not reasonably possible to furnish such completed forms or statements within that time and such completed forms or statements are furnished as soon as reasonably possible; the 90 days will be extended as necessary to comply with applicable State law. The employing railroad and the insuring agent may make such investigations as it or they deem necessary, including examination of the person of the employe when, so often as, and to the extent that such examination is necessary to the investigation of an employe's claim. Except as delays may be caused by investigation of individual claims, benefits under this Plan will be paid not less frequently than once every month.

10. **Disputes.**

(a) Insured Employes. A National Supplemental Sickness Benefit Committee, consisting of two railroad members and two organization members signatory to this Agreement, is hereby established. The Committee shall have exclusive jurisdiction over any disputes not settled on the property as to whether an employe is insured within the meaning of Paragraph 2(b). The parties to this Agreement will promptly work out a procedure for the handling of such disputes, including appropriate time limits. Provision will be made for a neutral to act as a member of the Committee in the disposition of any disputes as to which the partisan members are unable to agree.

(b) **Eligible Employes.** Any dispute involving an insured employe's eligibility for benefits within the meaning of Paragraph 2(b), and any other dispute arising under this Agreement or under an insurance contract implementing it requiring determination of the employe's physical condition or the cause or the date of commencement of a disability, will be referred to a panel of physicians, one chosen by the employe or his representative, one chosen by the railroad involved, and one chosen by the insurer if an insurance contract implementing this Agreement is involved. If the panel cannot agree, its members will select another physician whose decision will be final.

(c) **Other Disputes.** Any dispute involving application of Paragraph 3 which does not require determination of the employe's physical condition or the cause or the date of commencement of a disability, and any other disputes which may arise involving the application of this Agreement or of an insurance contract implementing it, will be submitted to the National Supplemental Sickness Benefit Committee established under Subparagraph (a)

(Cont'd on page 143)

Amtrak Proposes Basic System Through 1977

CONTINUATION OF THE National Railroad Passenger Corporation (Amtrak) basic system of train service through 1977, and removal of railroad presidents from the Amtrak board were recommended to Congress by the National Association of Railroad Passengers (NARP).

Testifying before the surface transportation subcommittee of the Senate Commerce Committee, Anthony Haswell, chairman of NARP, said Amtrak has not complied with a 1972 law which required that, insofar as practicable, Amtrak should directly control and operate its own service with its own employes and supervisors.

"A few railroads like the Milwaukee Road, Union Pacific and C & O/B & O have done a reasonably good job for Amtrak. However, the record as a whole for all railroads compels the conclusion that, in general the railroads are not satisfied with being relieved of the financial obligations of passenger service but want the trains physically removed from the tracks," Mr. Haswell told the committee.

Mr. Haswell singled out the Southern Pacific for the "dubious distinction" of doing the worst job for passenger service, despite its status as "one of the wealthiest railroads."

"Southern Pacific has sturdily resisted the initiation of any new Amtrak service over its lines . . . opposed the operation of special trains over lines not served by Amtrak regular trains . . . refused to allow Amtrak to use its San Antonio station for the new Laredo-Ft. Worth train (even though the station is already used by the Los Angeles-New Orleans train) . . . refused to permit Amtrak to operate a West Coast "auto train" . . . refused to allow use of standard dome cars on the High Sierra route (one of the most scenic in the nation) . . . frequently ran late trains (during March, 1973, 19 percent of all delays were due to freight train interference) . . . and limited Amtrak trains to 70 miles per hour, despite the fact that the SP track is in excellent condition."

"Back at the turn of the century, Frank Norris wrote a famous novel, *The Octopus,* which told how California wheat ranchers were exploited by the Southern Pacific. Over 70 years later, railroad passengers know that the 'Octopus' is alive and well —and living throughout the Southwest," Mr. Haswell said.

Other railroads severely criticized by Mr. Haswell were the Missouri Pacific "which gives Southern Pacific a good run for number one anti-passenger position;" Burlington Northern "whose track between Chicago, Omaha and Denver is becoming increasingly rough-riding and derailment-prone;" Penn Central "due to financial penure and/or demoralized management and personnel;" and Illinois Central Gulf—"roadbed is even worse than that of Penn Central."

Mr. Haswell suggested an amendment which would enable individual states to obtain Amtrak service by paying one-third of operating losses, rather than two-thirds, as at present. "This is the same state-federal funding ratio as that provided for urban mass transit and for federal-aid highways other than the Interstate System. The present ratio is the principal obstacle in the path of greater state use of the Amtrak Law," Mr. Haswell remarked.

He also recommended an amendment which would give Amtrak trains preference over freight trains, except for emergencies and unless the Secretary of Transportation has issued an order to the contrary for good cause.

"This amendment is necessary because of the continuing efforts of the Southern Pacific, Missouri Pacific and other railroads to impede the expeditious and dependable movement of Amtrak trains," Mr. Haswell explained.

"Rail passenger service is a vital necessity," the NARP chairman stated. "Amtrak is the ideal concept for providing that service, but its performance up to now has been woefully deficient.

"Since the Congress is putting up the funds for Amtrak, Congress must see that the funds are being effectively utilized.

"If Amtrak does not achieve direct control of its operations with its own employees and supervisors, it will remain little more than a disbursement agency for railway subsidies.

"At the same time, railroad performance will always be inferior, because the railroads have no interest in providing passenger service and they can evade responsibility by pointing to Amtrak as the entity legally responsible, even though it has no control over operations," he concluded.

Mr. Haswell also quoted a Harris public opinion poll which indicates that the public wants good rail passenger service and is willing to make a "major federal investment to make American passenger trains as good as any in the world."

Your Letters May Make the Difference!

One of the key ingredients for victory in the campaign for pension reform is making sure your Senators and Congressman know that all railroad workers are united behind rail labor's program to restructure the Railroad Retirement System.

Lawmakers need to know where YOU stand on this issue and only YOU can tell them through your letters.

Here are some tips to remember when writing:

Address your state's two Senators at the Senate Office Building, Washington, D.C. 20510—Dear Senator .....

Address your Representative at the House Office Building, Washington, D.C. 20515—Dear Representative .....

Write legibly or type your letters. Be sure to sign your name and include your address.

Express your thoughts and opinions in your own words. Hundreds of identical letters are simply not as effective. Be brief and to the point.

Be polite and reasonable. Complaining distracts from the point you are trying to make.

Retirement Reminders

From the Office of R. T. Bates

SECRETARY-TREASURER

New Benefit Year For Unemployment and Sickness Reports

JULY 1 IS THE FIRST DAY of the 1973-74 benefit year under the Railroad Unemployment Insurance Act. The Act provides cash benefits for qualified employes who are unemployed, but are otherwise able to work and available for work, and for employes who are unable to work because of sickness or injury.

The Act is administered by the Railroad Retirement Board. The following questions and answers illustrate its basic benefit provisions.

1. *How are these benefits computed?*

Benefits are paid at an employe's daily benefit rate for each day of unemployment or sickness over 4 in a 14-day registration period, except that for the *first* sickness benefit claim in a benefit year, benefits are paid for each day of sickness over 7. Most claimants receive the present maximum daily benefit rate of $12.70 so that their benefits can amount to $127 bi-weekly.

2. *If benefits are paid on the basis of individual days, what constitutes a day of unemployment or a day of sickness under the law?*

If you are a qualified employe (see question "4"), unemployment benefits are paid for days on which you are able to work and available for work, and for which you receive no wages, salary, pay for time lost, vacation pay, holiday pay, or other remuneration.

Sickness benefits are paid for days on which you are unable to work because of sickness or injury. (For a female employe, this includes days on which she is unable to work because of pregnancy, miscarriage or childbirth.) Although you are not eligible for sickness benefits if you receive wages, vacation pay, sick pay or other pay for time lost, payments under your own health or accident insurance policy or from an employer relief department or a group insurance policy will not prevent the payment of sickness benefits.

3. *How long are benefits payable?*

Normal unemployment and *normal* sickness benefits are both payable for up to 26 weeks. Extended benefits of each type can be paid for an additional 13 weeks if you have 10 to 14 years of service, or for an additional 26 weeks if you have 15 or more years of service. To be eligible for extended unemployment benefits you must not have voluntarily retired or have left work voluntarily without good cause. To be eligible for extended sickness benefits, you must be under age 65 (normal retirement age) and you must not have voluntarily retired.

4. *What are the qualification requirements?*

You are qualified for benefits in the benefit year which begins July 1, 1973 if you had railroad earnings of at least $1,000 in calendar year 1972, not counting more than $400 for any one month. If you were a new employe in 1972, you must also have worked for a railroad in at least 7 months of that year. On the other hand, if you earned less than $1,000 in 1972, but had at least 10 years of service, you may be able, under certain conditions, to receive benefits in the new benefit year.

5. *Under what conditions would I still be qualified for benefits without the required earnings in 1972?*

Even though you are not qualified on the basis of your earnings in 1972, you can receive extended unemployment benefits in the new benefit year if you have had at least 10 years of railroad service, if you received less than the maximum amount of normal unemployment benefits in the 1972-73 benefit year, and if you have not exhausted your rights to extended benefits. This also applies to benefits for sickness.

If you are not eligible on the basis of your earnings in 1971 or 1972, you could qualify for benefits on the basis of your 1973 railroad earnings. To qualify on this basis you must (a) have earned at least $1,000 in 1973, (b) have had 10 years of service, and (c) be unemployed or sick for at least 14 consecutive days in the 1973-74 benefit year. The other conditions for eligibility are the same as those given for extended benefits.

6. *How or where can I apply for unemployment benefits?*

If you become unemployed, you should register for benefits with an unemployment claims agent during the first week you are unemployed. A delay in registration may cause you to lose benefits. As an unemployment claims agent is usually a railroad employe, your railroad foreman or supervisor can generally direct you to one at or near the location of your railroad job. After the claims agent takes your application, he will set the date for your next registration. Generally you will be required to register once a week. At the end of the 14-day registration period, the claims agent will forward your claim to a Board district office.

When you apply for unemployment benefits, you also apply for employment service; the Board will refer you to any suitable employment for which it has an order.

7. *How do I go about applying*

for sickness benefits?

An application for sickness benefits (Forms SI-1a & b) can be obtained from a railroad employer, a railroad labor organization, or any Board office. An application (which includes a doctor's statement of sickness) is required at the beginning of each spell of sickness. The Board suggests that you obtain an application to keep on hand for use in claiming sickness benefits, and that your family know where the form is kept, and how to use it. Also, it is advisable for you to keep your latest Form BA-6, Certificate of Service Months and Compensation, with the application. Your BA-6 form shows your social security number and includes instructions on how to claim benefits.

If you become unable to work because you are sick or injured, complete the application, have your doctor complete his part of the form, and mail it directly to Railroad Retirement Board headquarters in Chicago. Enclose the right-hand portion of your BA-6 form if it is available, but do not delay sending your application because you cannot locate your BA-6 form. You may lose benefits if the forms are not mailed to the Board promptly.

8. *Is there a time limit on filing a sickness application?*

Yes. An application should be mailed by the seventh day of the illness for which you want to claim benefits. If you are too sick to complete the application, have someone else do this for you. If the application is not filed on time, there may be a delay in the payment of benefits to you, or you may lose benefits if you cannot give an acceptable explanation for the delay in filing the application forms.

9. *Does claiming unemployment benefits obligate you to accept any job that is offered?*

No. Generally, you may refuse an offer of work which is outside your normal occupation, or work in which the working conditions are unsafe, or work for which the pay is substantially lower than the pay you usually receive. However, if you refuse suitable work without good cause, you may be disqualified from receiving unemployment benefits for 30 days.

10. *I am an extra board employe. Can I receive unemployment benefits between jobs?*

Yes, but only if the miles and/or hours you actually worked were less than normal full-time work in your class of service.

11. *I am in train and engine service. Can I receive unemployment benefits for days when I am standing by or laying over between scheduled runs?*

No, not if you are standing by or laying over between regular assignments.

12. *I just lost my job. I think I'm eligible for unemployment benefits, but I'm not sure.*

If you think you may be eligible, you should register for unemployment benefits. The Board will notify you by letter if you are not eligible.

13. *I have just applied for sickness benefits because of a work injury, but some time in the future, I expect to receive a cash settlement from my employer because of the injury. Will this prevent the payment of sickness benefits to me?*

Sickness benefits can be paid regardless of the liability of your employer or some other person to pay damages for an injury or disability that keeps you from working. However, the benefits will be recovered from the damages paid to you by the liable party.

14. *Are doctor and hospital bills covered under the sickness benefit provisions of the Railroad Unemployment Insurance Act?*

No. Under the Act, only cash benefits, which are payable directly to you, are provided.

60,275 Fatalities In Transportation Accidents 1972

TRANSPORTATION ACCIdents took the lives of more than 60,000 persons in the United States in 1972, according to preliminary statistics released today by the National Transportation Safety Board.

The 1972 total of some 60,275 deaths was a 2.4 per cent increase over 1971, and the second highest in the nation's history.

Safety Board Chairman John H. Reed, in releasing the statistics for Transportation Week (May 13-19), voiced the Board's "deep concern over this tragic total and its reversal of previous encouraging statistical indications." He pointed out that transportation fatalities had dropped from a record 60,471 in 1969 to 58,813 in 1970, but then had climbed again to 58,915 in 1971."

Highway fatalities, perennially more than 90 percent of all transportation deaths, reached a record high in 1972 and reversed a two-year downward trend. There were an estimated 56,300 deaths last year —55,025 in highway crashes and 1,275 at rail-highway grade crossings. This compared with 54,700 in 1971, 54,800 in 1970 and the previous high of 56,000 in 1969.

In other modes of transportation last year, only rail and marine transport recorded fewer fatalities than in 1970. Rail fatalities dropped from 607 to 590, or 3 percent. The marine decreases were significant— a 23 percent drop from 459 to 352 in commercial shipping, and a 9 per cent reduction from 1,582 to 1,437 in recreational boating.

"However disappointing the overall 1972 results may be," Chairman Reed commented, "we must take the occasion of National Transportation Week to view our transportation safety task both confidently and realistically. There is every reason to believe that transport safety measures taken in recent years are saving lives. Yet we must save many more, tens of thousands more, before we can approach the ultimate goal of nationwide transportation which is truly safe as well as efficient and ecologically sound."

The Safety Board's 1972 statistics were issued in the form of its annual pie chart of transportation fatalities. The estimated individual 1972 totals, with comparative 1971 figures in parenthesis: Highway—55,025 (53,344); rail-highway grade crossings—1,275 (1,356); railroad—590 (607); marine—commercial, 352 (459) and recreational boating, 1,437 (1,582); aviation—airlines, 190 (199) and general aviation, 1,357 (1,322); pipeline—62 (46).

YOUR WASHINGTON Reporter

By R. E. Porter

WHAT TO DO ABOUT THE bankrupt railroads of the Northeast remains a top problem on Capitol Hill in Washington. After months of dealing with the fringes of the problem, congressional leaders and committees are concentrating their efforts on trying to develop an agreed-upon solution from among the many, varied remedies proposed.

Congress was given a breathing spell in these efforts when the trustees of the Penn Central put off for at least 30 days any action on promulgation of a unilateral order reducing train and yard crew sizes.

The trustees were legally free to issue the promulgation as of May 9. That was when a 90-day truce imposed by Congress in February expired. The truce was mandated to end a strike called on February 8 by the United Transportation Union when the PC sought arbitrarily to slash crews. Under the legislation, which ordered a restoration of the pre-strike status quo, the UTU halted the stoppage within 24 hours. Negotiations thereafter to resolve the dispute failed to bring about a settlement by May 9, and the trustees then extended the deadline to June 9.

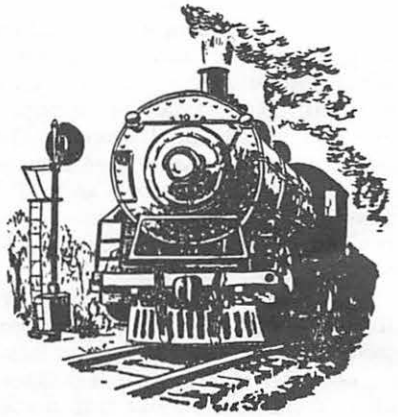
* * *

Meantime, committees of both the House and Senate are digging deeper into ways of dealing with the problems of the PC and other bankrupt roads. Among the many proposals they're confronted with are these:

From the Department of Transportation—for creation of a new "core system" in the Northeast, composed of about half the trackage now operating in the region, with the rest to be abandoned, unless states and localities are willing to foot the bill for continued service. Under the DOT plan, there would be little or no federal financial aid.

From the Interstate Commerce Commission—for creation of a "federal aid railway system" through restructuring of the bankrupt roads, but with substantial federal money to "prime the pump."

From the Association of American Railroads—for a government takeover of the Northeast "rail corridor;" that is, the main lines between Washington, New York and Boston. This 460-mile corridor would be confined to passenger service and Uncle Sam would pay liquidated value for this trackage and facilities, and thus provide the PC with an infusion of needed cash. Freight would be rerouted to other lines.



From the Brotherhood of Railway and Airline Clerks—for establishment of a Federal Railroad Transportation Authority (FedeRail), which would take over all the bankrupt lines in the Northeast. Only such public ownership, BRAC President C. L. Dennis contended, could avert wholesale slaughter of rail service in the Northeast and the loss of up to 50,000 jobs or more.

From the staff of the Senate Commerce Committee—for creation of a Northeast Transportation Authority which would acquire the bankrupt roads, overhaul them, eliminate "non-essential" operations and experiment with ways of "improving operations and service."

Many other proposals previously publicized are before the congressional committees for consideration. These include a nationwide government takeover of major railroad rights of way, accompanied by a user charge system; a similar takeover of the Northeast rights of way; a system of federal loans and grants for improvement and expansion of rolling stock, and numerous other schemes.

Various spokesmen for railroads and shippers, while calling for "private enterprise" solutions to the Northeast rail situation, recommended that the government assume as a "social cost" the expense of compensation and job protection to employes adversely affected by the restructuring of the rail lines.

* * *

The AAR plan for a government takeover of the Northeast corridor represented a meeting of minds among most carriers, only some of which had previously come up with such a plan.

The corridor takeover proposal was officially presented by President Stephen Ailes of the AAR to the ICC and the congressional committees. He urged that the corridor takeover be dealt with first before tackling other solutions to the Northeast rail problem. After such takeover, he predicted that "solvent railroads" would then "cooperate in the achievement of a private enterprise solution" to the plight of the Northeast railroads and would "undergo reasonable entrepreneurial risks toward that end."

Ailes made it clear that these roads are not willing to risk any money on acquiring the corridor right of way, which is devoted predominantly to passenger service.

However, he termed it "inconceivable that Congress or the public would permit abandonment of vital passenger service in the corridor."

Only the government, he indicated, could make the "major expenditures" that are needed to put the corridor into shape for expanded high-speed passenger service.

Ailes contended further that government acquisition of the corridor, "if proceeded with immediately," could make "a significant contribution" toward "the prospects for a successful reorganization of the Penn Central."

* * *

Faced with all the differing and conflicting panaceas for solving the problems of the Northeast railroads, congressional leaders dealing with transport matters have been calling on all parties to try to get together on a common approach.

Among them, Sen. Vance Hartke (D., Ind.), chairman of the Senate Surface Transportation subcommittee and sponsor of a number of bills which would provide relief for the railroads, declared that he has held conferences with many parties concerned to see if a common ground can be reached on ways of restructuring the Northeast railroads.

His subcommittee hearings, he said, are geared toward that end and toward cutting through some of the "conflicting and overlapping proposals" that have been put forward. He added that his subcommittee hoped to produce a "constructive solution, with permanent, beneficial results."

Similarly, Rep. Brock Adams (D., Wash.), a leading member of the House Interstate Commerce Committee who has devoted much of his time to transport matters, called for serious talks "that will lead to a common, bipartisan agreement among all the many interests involved—management, labor, creditors, shippers, state and local governments—as to what needs to be done" to get order out of chaos in the Northeast rail situation.

Adams warned, too, of the need for a quick decision on agreed-upon legislation. "If we wait too long," he said, "the time will run out and the judges in bankruptcy will be forced, by constitutional considerations, to order liquidation, or the bankrupt railroads will simply run out of cash." He added that "in the crisis which would result we might well be forced to a hasty solution and to one worse than any now under consideration."

NRLC Joins Labor In Pressing For Passage Of H. R. 7200 In Senate

WASHINGTON—THE CHAIRman of the National Railway Labor Conference called on Congress to give the railroads and unions representing their employes sufficient time to complete, through collective bargaining, work they have begun on needed changes in railroad retirement.

In testimony before the Subcommittee on Railroad Retirement of the Senate Committee on Labor and Public Welfare, NRLC Chairman William H. Dempsey cited a recent agreement, which included settlement of a part of the retirement problem, as "strong evidence that the parties can agree with respect to the rest of the problem."

The tentative agreement, reached on March 8, covered not only wages but also provided for the railroads to assume the portion of railroad retirement payments, now paid by the employe, which is in excess of withholding under Social Security.

In outlining for the Subcommittee the sequence of events leading to the agreement, Mr. Dempsey noted that it was reached in a manner "unique in this industry" and represented "the first time in which the parties have arrived at an agreement by way of negotiations conducted outside the procedures of the Railway Labor Act."

He said the first step leading to the negotiations was the creation by Congress of the Commission on Railroad Retirement in 1970. After the Commission made its report to Congress in 1972, the Congress directed representatives of the employes and railroads to submit, by March 1, 1973, their recommendations for reformation of the system.

After meetings between the unions and railroads began, it was agreed that the negotiations would embrace all issues raised in the 1973 round of wage and work rules deliberations.

The agreement that resulted left unresolved some of the areas explored by the Commission, including a deficiency in the retirement fund and dual railroad retirement and Social Security benefits.

The chief railroad negotiator said both the unions and the railroads regret their present inability to propose permanent solutions to the remaining questions but explained "we think that, with additional time to negotiate, we can come to grips with these matters." Both parties, he said, have agreed to defer them in the "twin hopes that this would permit a prompt resolution of all other issues and promote a settlement of the remaining retirement issues during a more extended period of study."

"The first hope has been realized," he pointed out. "We believe the second hope will be realized, too, if the Congress affords us the additional time we believe is required."

H.R. 7200, which has already been passed by the House, would give the parties until July 1, 1974 to submit a joint report and Mr. Dempsey emphasized that the extension would not threaten the fiscal integrity of the railroad retirement fund.

"Even under the Commission's rather gloomy forecast," he noted, "the projected crisis is some 15 years off."

Another bill pending before the Subcommittee (S. 1867) would advance the timetable for the report to Congress and would impose additional taxes on both employers and employes as of January 1, 1975.

Mr. Dempsey cautioned that the tax provision of this bill is inconsistent with the principle of the central role of collective bargaining.

"If the parties should be unable to solve their problems by next year," he declared, "it will be time enough for the Congress to fashion a solution for them. The parties know full well that this is their last chance and that, if we do not agree upon a resolution of the remaining issues, we will have one thrust upon us."

Labor's Battle Flag In Fight To Organize

MOST UNIONISTS KNOW the importance of the Union Label today but few know the vital role the label played in structuring the modern American trade union movement.

It's all a matter of recorded history:

- The Union Label spurred formation of the AFL in 1886, and
- The Union Label gave impetus to autonomy of national and international unions.

The forces which culminated in these two historical developments date from 1868 when the United States signed the Burlingame treaty with China.

Article 5 of the treaty recognized "the inherent and inalienable right of man to change his home and allegiance . . ." and also "the mutual advantage of free migration and immigration of their citizens and subjects respectively from one country to another for purposes of curiosity, of trade or as permanent residents . . ."

That same year, 1868, 11,085 Chinese landed on the Pacific Coast. They were largely uneducated and willing to work for substandard wages.

Workers, particularly those on the Pacific Coast, were alarmed that union jobs and union standards were being threatened by substandard wages.

Workers, particularly those on the Pacific Coast, were alarmed that union jobs and union standards were being threatened by this growing number of immigrants.

This fear increased when worker after worker was laid off in the panic of 1873. It reached a critical point in San Francisco when a major cigar manufacturer hired extremely low-wage Chinese workers in direct competition to higher-wage union workers.

The union cigar worker, members of Local 228 of the Cigar Makers International Union, were hard pressed to protect their standards and their livelihood.

In 1874 after months of debate they adopted a Union Label on their cigar boxes containing an appeal to purchasers to help maintain the "white" rather than the "coolie" standard of life and work. It was called the "White Label."

All this took place at a time when race relations left much to be desired but for the workers, themselves, it was an economic fight for survival.

There is no record of any labor movement in any country adopting a Union Label before the San Francisco cigarmakers.

The next year, 1875, a St. Louis local of the Cigar Makers adopted the label during a strike provoked by an employer move for wage reductions. The label color was changed from white to red.

The St. Louis label was a union weapon in the now traditional sense. It was used in a fight between organized and unorganized labor, to fight anti-labor employers.

The red label was so successful that non-union manufacturers counterfeited it. At that time there was no thought of legal protection against counterfeiting the label.

Within the next few years the Knights of Labor became sold on its own Union Label, another white label. The Cigar Makers were convinced that the Knights' label reduced the effectiveness of its own label. The union tried to get the Knights to drop their label but they would not.

Samuel Gompers, then a rising leader in Cigar Makers, said, that part of the problem with the Knights' label was that it was "used indiscriminately and it was permitted on manufactured goods of several industries."

By 1880 when the Cigar Makers met in convention in Chicago all delegates realized that an international union label was essential. However, a bitter argument arose over the color of the label. The Pacific Coast delegates wanted white and those from St. Louis urged red.

Finally, an Eastern delegate rose and told the convention:

"I suggest as a compromise and as a symbol of fidelity that we use the other color of our beloved flag, blue."

The blue label then became the flag of the Cigar Makers in its battle with the Knights.

Samuel Gompers, later president of New York Local 144 of the Cigar Makers and vice president of the international, explained in his autobiography the reason for the conflict between the Knights and trade unions:

"The two movements were inherently different. Trade unions endeavored to organize for collective responsibility persons with common trade problems. They sought economic betterment in order to place in the hands of wage earners the means to wider opportunities. It was based on cooperation and its purpose was reform.

"The Knights of Labor prided itself in being something higher and grander than a trade union or a political party. Unfortunately, its purposes were not always exemplified through the declarations and the acts of its members. The order admitted to membership any person, excluding only lawyers and saloonkeepers. This included employers among those eligible . . ."

The Knights more and more encroached on trades where there were established unions. They organized wherever they wanted. They frequently tried to reorganize the organized. Not only the Cigar Makers but other unions, the Garment Workers, the Hatters, the Carpet Weavers and the Carpenters were some of the unions engaged in hostilities.

Some of this came to a head early in 1886 during a major cigar strike and lockout in New York. The union charged that the Knights had gathered enough scabs to operate several shops. It took a parade of all cigar workers in New York City to convince the manufacturers that the workers were united under the Cigar Makers.

The wage reduction was withdrawn and the workers won wage gains and improvements in working conditions.

Differences between the Cigar Makers and the Knights of Labor, however, picked up in intensity during this period.

"The bitter feeling and the resent which were engendered among all classes of workers against the actions of the Knights can be better imag-

ined than described," wrote Gompers.

The Cigar Makers turned to labor publications to carry on their fight. Gompers edited a union paper in New York, "The Picket." Chicago Cigar Makers called their paper the "Blue Label," pointing to the importance of the label in the confrontation.

In the West, the battle went right down to the shops. San Francisco Cigar Makers published its "Pacific Coast Boycotter" and were backed by train loads of union workers sent by the international union from New York.

The Cigar Makers ordered a boycott against all cigars bearing the label of the Knights.

In retaliation, the General Assembly of the Knights adopted a resolution ordering all employes of the cigar trade who were members of both the Knights of Labor and of the Cigar Makers to withdraw from the Union or leave the Order.

Writing of this period, Paul Douglas, later a U.S. Senator, wrote:

"This resolution marked a turning point in trade-union history in that it gave a determining impetus to the movement already strong from the Knights of Labor assembly in the direction of the autonomous trade union."

Douglas' study, "The Workers and Modern Society," was recently republished by Arno and The New York Times, edited by Leon Stein and Philip Taft.

The author noted that the Federation of Organized Trades and Labor Unions, exerted its influence in favor of the Cigar Makers, adding:

"If the Federation had recognized the label of the Knights of Labor, the Order would have been virtually granted full rights as a union and vested with co-ordinated authority in the conduct of trade matters."

The unions demanded that the Knights agree "not to establish or issue any trade mark or label now issued or that may hereafter be issued by any national or international trade union." The Knights, however, regarded itself a pioneer in the use of the label and refused.

The next step was a call sent out to all national and international unions for a conference to "devise ways and means to protect our respective organizations from the malicious work of an element who openly boast that trade unions must be destroyed under the cover of the Knights of Labor."

As every trade unionist should know, that conference on December 8, 1886 led to the formation of the AFL.

"We were all convinced that the old Federation could not do the effective work required," wrote Gompers, the founding president. "We needed a consolidated organization for the promotion of trade unionism under which work could go forward daily for the organization of all workers of America, skilled as well as unskilled. . . ."

That prophecy was fulfilled: The union label had become a rallying-point for trade union unity.

'Stop Kicking Around The Not-So-Lowly Hot Dog,' Meat Cutters Union Sec.-Treas. Gorman Pleads; 'They're Made Clean and They're Fit For A King!'

THE AMALGAMATED MEAT CUTTERS & BUTCHER WORKmen, AFL-CIO, which on other occasions has been concerned with such transcendental matters as the national economy, peace and war, civil rights and wage policy—has come to the defense of a great American institution: the not-so-lowly hot dog.

The union's secretary-treasurer Patrick E. Gorman, writing in the union's magazine (The Butcher Workman), points out that "lately the hot dog has been abused savagely as being unclean—and this is just a lot of baloney." He adds that the hot dog "still is the one food fit for a king."

"A vast majority of all frankfurters consumed in this nation are from plants that have U.S. Government inspection," Gorman writes.

"Our international union bears a special burden of defense of the hot dog because our members make them—and they make them clean, because U.S. Government inspection means cleanliness."

The union official makes the point that "they've got to stop kicking our hot dogs around."

Text of Mr. Gorman's editorial in "The Butcher Workman follows:

"Our 'Lowly' Hot Dog"

"The 'Hot Dog' has been, and still is, the one food fit for a king. It is not 'lowly.' Ask any kid in the United States when his tummy gets a little hungry what he wants—'A hot dog!'—will be the reply. It is almost impossible for youngsters or oldsters to pass a hot dog stand without their mouths watering.

"Yet lately the hot dog has been abused savagely as being unclean, and this is just a lot of baloney. A vast majority of all frankfurters consumed in this nation are from plants that have U.S. Government inspection, and yet some newspapers, having little news worth publishing, make an attack upon the hot dog feeling that everybody will read the darn stuff because everybody eats hot dogs. In some cases, it's a circulation gimmick.

"Pray, what would a picnic be without this king of sausages? Look at a hot dog on a savory bun strewn with mustard—ummmmm! Pray what would a ballgame be without the fellow in the white hat yelling, 'Hot Dogs! Hot Dogs!' We grab for them nationwide by the dozens because they are good and tasty and wholesome.

"The whole nation has beaten a path to the hot dog stand—the children as well as the grownups. No one has ever heard of anyone who didn't like them. We always go back for more because they are good and what is good people want and the people will buy.

"Our International Union bears a special burden of defense of the hot dog because our members make them and they make them clean because U.S. Government inspection means cleanliness. Even those derelicts who roam the streets hungry feel like they have been treated to a banquet when somebody spares them the price of a hot dog."

YOUR INSURANCE:

A Price Tag on Your Home

Would you sell your home for the face value amount on your insurance policy? If the answer is no, your home may be underinsured.

Wide World

If you had to sell your home tomorrow, what price would you ask? Suppose your home were destroyed by fire or windstorm. What would you have to pay to replace it or to buy another of comparable space and quality?

In a very real sense you put a price tag on your home each time you renew your homeowners insurance. The face amount on your policy is the maximum amount you could be paid if you lost your home. That's why your insurance coverage should equal the fair market value of your home, excluding foundation structure and the price of your lot. Anything less and you're literally playing with fire.

It's a dangerous game, but an extremely common one among American homeowners. Surveys indi-

Nothing can fully compensate the family whose home is lost to fire or windstorm. But adequate insurance levels can supply the financial resource to rebuild.

cate more than half the U.S. single-family homes lack adequate insurance. The most common reason for this is the impact of inflation on construction costs. For example, a home purchased in the early 1960s and fully insured at that time is probably no more than half insured at present—unless the original amount of protection has been increased. A loss of any kind could force the owner to pay a substantial sum out of his own pocket.

Even homes bought no more than five years ago are likely to be underinsured. The median price for a home in 1967 was $19,350; current median price has soared to more than $26,000. Almost any homeowner who has not reviewed the limits of his insurance will find his coverage too low to protect his investment, if he were forced to repair or rebuild at today's prices.

Although inflation has touched all sectors of the economy, increases in residential construction costs have been especially high. During the most recent five-year period for which figures are available, general consumer prices rose 23.1 percent. Over the same period the cost of residential construction jumped a whopping 35.4 percent. The trend continued throughout the past year when residential building costs rose 8.5 percent, with the general price of consumer items moving up just 4.3 percent.

This means the family which has owned its home for several years has made a profitable investment. The property is a hedge against inflation, as well as

Even when the whole family helps, home repairs can be costly. Insurance claims for more than $60 million were filed after the 1966 tornado tragedy at Topeka, Kansas.

an asset which is increasing in value at a pace much faster than the general economy. But in many instances it also means this investment is largely unprotected because the owner has neglected to increase his insurance limits accordingly.

Another frequent reason for underinsurance is homeowner inattention. Say a policyholder has a $5,000 addition built on to his home. Or he installs expensive paneling and a fireplace wall in the game room. If he forgets to obtain additional coverage for the increased value of the home, the oversight could be costly.

Sometimes home insurance is inadequate because full coverage was never purchased in the first place. Most homeowners buy insurance when they buy their homes—usually to satisfy the lending institution which holds the mortgage. Frequently this coverage barely equals the amount of the loan and actually provides almost no protection for the owner's equity. After a few years of inflation, the original insurance limits become even less adequate to provide full replacement of a loss.

In the event of a total loss, the company holding the mortgage must be paid first; any difference between the amount of the insurance and the actual replacement cost will come out of the owner's pocket. Without 100 percent replacement cost protection, the homeowner is simply gambling with his own equity.

Even a partial loss can be costly to the owner of an underinsured home, since insurance generally does not replace new for old. Instead, normal depreciation in value is taken into account when losses are settled.

For example: A house was built 11 years ago and, during that time, has depreciated 25 percent. A fire guts the kitchen and an adjoining room, causing damages appraised at $8,000. However, the insurance policy will pay only $6,000, representing actual replacement cost minus 25 percent (or $2,000) for depreciation deduction.

This depreciation deduction is a pitfall that can be avoided if insurance is maintained at adequate levels. Insurance companies will waive the usual deduction—provided insurance limits are at least 80 percent of the home's current value. This is a bonus benefit for the homeowner, offered by the insurer to encourage maintenance of coverage at the 80 percent level or above.

Even if your home is insured to its full value, there could be a coverage gap if the worth of the contents hasn't been given careful consideration. In general the homeowners policy will provide cover-

age on contents based on a percentage of the coverage on the structure. However, no percentage factor will fit all situations.

Many homeowners do not realize the full value of their home furnishings and personal property until a tragic loss has occurred. This is especially true in households, formed several years ago, where the family's personal property has gained in value over the years.

Some furnishings, such as antiques, silver, jewelry and art objects, may have appreciated considerably since the first homeowners policy was purchased. Also, as a family of children grows larger and older, values tend to increase. Bicycles, more expensive clothes, sporting equipment and musical instruments—all types of purchases related to children can add to the overall value of a home's contents. Increased coverage limits or special endorsements to cover unusually valuable property can close this protection gap.

Although it is the owner's responsibility to maintain home insurance at an adequate level (generally considered at 80 percent or more of current value), the insurance industry makes a special effort to inform policyholders of the risks involved in allowing coverage to fall below replacement cost levels. Insurance company representatives and agents often contact homeowners at policy renewal time to urge review of coverage limits. These representatives are a good source of information on construction cost increases and statistical trends.

In addition to personal contact, mutual insurers frequently provide homeowners with educational and informational materials which help the owner to estimate the current value of his property.

Many companies now market a special policy endorsement which provides an automatic increase feature to protect against runaway inflation. Under this endorsement, coverage limits on the various components of the homeowners package—structure, personal property and additional living expense allowances—are increased by a stated percent factor at regular intervals. These small, periodic increases are built-in pacemakers to help home insurance limits keep up with inflation throughout the life of the policy. At a small added cost, this endorsement is available in most states. For most Americans the home is the largest single investment the family will ever make. This is why the homeowners package policy was developed: to give families an economical and comprehensive method to protect that investment. But in too many cases homeowners fail to take full advantage of the opportunity. □

What It Costs to Replace Your Home

Will your insurance replace your home? Here's a general indicator, based on nationwide statistics, on what it would cost to rebuild your home at today's prices:

Replacement Cost Multipliers

Year	Dwelling Building Construction
1972 (Oct.)	1.000
1971	1.069
1970	1.181
1969	1.259
1968	1.345
1967	1.450
1966	1.499
1965	1.568
1964	1.618
1963	1.654
1962	1.698
1960	1.757
1955	2.022
1950	2.541

A home built in 1967 cost $20,000 at that time. How much would the replacement cost be today? To find out, refer to figures for 1967. The present day replacement cost multiplier is 1.450.

Multiply $20,000 (original cost) by this figure: $20,000 x 1.450 = $29,000. The increased value of the home just since 1967 is $9,000. □

Source: Marshall & Swift Publications Company.

Senate Passes Prepaid Legal Services Bill

THE SENATE PASSED THE bill sponsored by Senator Harrison A. Williams, Jr. (D-NJ) to allow joint, labor-management administration of prepaid legal services programs.

The measure, which Williams introduced jointly with Senator Jacob K. Javits (R-NY), would change existing law in order to remove a major stumbling block to establishment of such programs. Williams is Chairman of the Senate Committee on Labor and Public Welfare, which reported the bill, and Javits is ranking minority member.

"One of the glaring injustices in America is that Americans of moderate means often do not know when they need legal services, nor how to obtain them, and are unable to finance them," Williams said today.

"During the past decade, several nongovernmental groups have begun to experiment with programs designed to ensure the availability of legal services," he continued. "However, a major obstacle to experimentation with and creation of such programs is a section of the Labor-Management Relations Act which prohibits labor and management from jointly administering trust funds established to provide such legal services to employees, their families and dependents. This section did, however, specify other types of jointly administered trust funds which an employer may contribute to—including funds to finance medical care programs and retirement pension plans. The failure to provide for prepaid legal services is undoubtedly attributable to the fact that they are of relatively recent vintage.

"This legislation is necessary because of the growing recognition that existing methods of delivery of legal services to middle and working class citizens are inadequate. The establishment of legal service programs through collective bargaining, in a manner similar to the way health benefit programs have been established, would be an important step toward alleviating this problem.

"It is important to note that this bill will not direct the establishment of such programs. It will not dictate the terms and conditions of such programs, it will not interfere in any way with the operations of such programs, and it will not finance such programs.

"Rather, it will bring such joint programs within the scope of collective bargaining by removing an unwarranted and unintended federal road block to their establishment."

AAR Pres. Ailes Reports On Rail Progress

CONTRARY TO POPULAR beliefs, railroads are an innovative industry but the results of innovation have been almost completely overshadowed by the attention devoted to the industry's problems, the president of the Assoication of American Railroads stated recently.

Speaking at the annual meeting of the National Association of Shipper Advisory Boards, AAR President Stephen Ailes stated that much of the railroads' progress in recent years is a "direct result of constant efforts to find new and better ways to do the job of hauling the nation's freight."

Many railroad problems are yet unresolved, he noted, but the railroads are still in business, hauling more freight than ever before and looking forward to tremendous new growth. The one factor most responsible for these happy circumstances, he said, is continuing innovation—"like piggybacking, containerization, unit trains, specialized equipment, labor-management changes, run-through trains, and the many special operations and marketing variations of these concepts designed to improve service and better meet the needs of specific shippers."

Mr. Ailes cited improvements in car utilization during 1972 and told his luncheon audience that "this kind of improved efficiency enabled the major railroads to handle an all-time record of 778 billion ton-miles of freight last year without a serious car supply problem."

"Many railroad men," he declared, "consider last year's performance the most impressive in railroad history."

The industry spokesman conceded that the railroads are now having car supply problems. This, he added, is "mainly because our ton-miles are running about 8½ percent ahead of last year's record pace—and 8½ percent of 778 billion is no small increase."

"There are a few complications, too," he explained, "resulting from flooding in the South and Midwest, the disruption of barge traffic on the Mississippi, restricted supplies of diesel fuel, and the funneling of so much of the Russian grain through a few ports—a situation which has overtaxed the facilities at some of the key classification yards as far away from the Gulf ports as Kansas City and St. Louis."

Mr. Ailes said the whole rail freight system and the connecting facilities which it serves obviously have a capacity limit "and we are close to it."

"We are not satisfied with this level of capacity," he declared, "and are going to do everything in our power to increase it."

The AAR president said the urgent need for further improvements in all aspects of railroading has not escaped the industry "and I can assure you we are not standing still."

He cited a current study of an advanced freight car information system and pointed out, in addition, that the railroad industry is presently engaged in the most extensive research program in its history.

"The program covers such things as track-train dynamics; tank car and locomotive cab safety, wheels and trucks; locomotive emissions; loss and damage; the problems of yards and terminals; intermodal terminals; and ways of further improving freight car distribution," Mr. Ailes reported.

He said the "self-help" programs described bear out the fact that "there is, indeed, a great deal that is right in the railroad industry."

At the same time, he emphasized, there are areas in which the industry needs help. He praised cooperation from the railway supply industry in the development of equipment and the contributions of the Federal Railroad Administration in current research.

"Beyond this," he continued, "help is clearly needed in the effort to increase the capacity of the industry. This can best be made available through quick passage of meaningful legislation, such as the Surface Transportation Act (H.R. 5385) now before Congress."

In conclusion, Mr. Ailes hailed a "new day of enlightment and understanding" between management and labor and between traditional competitors.

"It is a good day to be in the railroad industry," he declared.

Amtrak Catching Up on Pass Applications

Amtrak reports that it has processed all but about 40,000 of some 240,000 applications for passes it has received since formulating its new pass policy last fall.

A spokesman for the passenger corporation expressed confidence the issuance of passes will soon catch up with the applications on hand, on the basis of passes being sent out at the rate of 8,000 a day.

He noted that the corporation had previously set a June 1 cutoff date on passes but added, "Active and retired workers need not worry if they haven't received their travel passes by that date. They will not be invalidated."

Amtrak contends it has had "good cooperation" from most of the railroads in certifying the requests for passes. It said that there has been a holdup on some 13,000 passes on the Illinois Gulf Central because of dispute over their extent of coverage on the merged line. It said the snag was being ironed out and the passes would soon be issued.

The corporation has heard complaints from retired railroaders that carriers have in some cases challenged pass eligibility and in other ways tried to frustrate requests.

"We are sorry to receive such reports and are taking the issue up with railroads that are charged with being uncooperative," an Amtrak official said. 'But we have no other recourse because only the railroads have the personnel records that prove pass eligibility."

Meanwhile, as Amtrak moved into its third year of operation this month, it cited figures to show an 11% increase in passenger travel in its first two years, and a rise in revenues from 152.7 million dollars at the start of fiscal 1971 to a "forecast" of above 179 million in fiscal 1973.

Net cash loss from operations, in the current fiscal year, was set at 124 million, down 18.6% from the past fiscal year's loss of 152.3 million.

In a two-year progress report, Amtrak President Roger Lewis said that the corporation has reversed more than 25 years of declining rail passenger service and has "gotten Americans to start riding intercity trains again."

Stender Lists OSHA's Key Future Goals

MORE INSPECTIONS — with special emphasis on construction site cave-ins—is one of the key future goals of the Occupational Safety and Health Administration of the U.S. Department of Labor.

Other goals detailed in a talk in Washington by John H. Stender, Assistant Secretary of Labor for Occupational Safety and Health, include:

—More standards on occupational health hazards.

—New emphasis on job safety and health training for the private sector of the economy, and

—Further movement toward state control of occupational safety and health efforts.

Stender became an assistant secretary of labor earlier this year after 15 years as an international vice-president of the International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers, AFL-CIO.

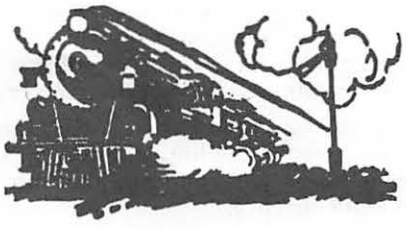
He spoke before an Associated General Contractors of America seminar.

Stender urged employers to view OSHA "not as a negative force that threatens their efforts and livelihood, but as a positive force that will eventually reduce their expenses" by cutting job-related accident and illness rates.

He asked that all of OSHA's critics "lower their voices" and examine the facts before criticizing its program.

"Too many times," Stender said, "the employer has publicly complained that OSHA is going to drive him out of business, but when we look into the situation, we find that the individual remains in business and that he learns to live with OSHA.

"The average proposed penalty to date is $175," Stender added. "This is hardly enough to force anyone to close up shop."



SEN. MAGNUSON PROBES INTIMIDATION OF NTSB

Sen. Warren G. Magnuson (D-Wash.), chairman of the Senate Commerce Committee, will hold hearings May 21 to determine if the National Transportation Safety Board is being pressured by the Administration to ease its criticism of the Department of Transportation and its Federal Aviation Administration.

According to Traffic World, Sen. Magnuson said in a letter to John Reed, NTSB chairman, that he had learned Reed was told by the White House "to cease issuing such reports" which might be construed as critical of DOT and the FAA.

The White House staff reportedly had expressed displeasure of the board because of several reports and recommendations made by the board.

"It has been charged," Magnuson said in his letter to Reed, "that you were ordered, despite provisions of the law to the contrary, to cease issuing such reports. . . . Further, charges have been made that you informed members of the board that unless the board agreed to cease this activity that members would be disciplined by the White House."

The NTSB investigates certain highway, air and railroad accidents and makes non-binding recommendations aimed at preventing recurrence and reducing damage and injuries.

The only exercise some people get is jumping to conclusions, copying somebody else's work, pushing their luck, dodging issues, passing the buck, running down others, and sidestepping responsibilities.

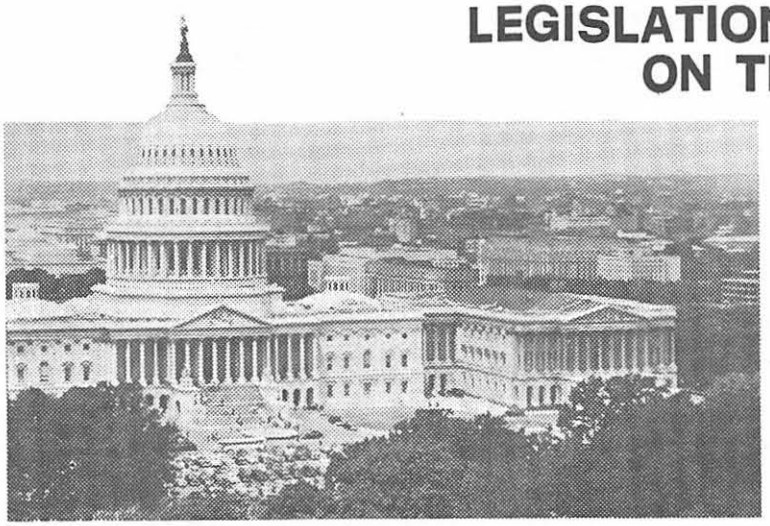
PC REJECTS OFFER TO BUY THE P&LE

Trustees of the Penn Central have turned down an offer by a group of Pittsburgh investors to purchase the Pittsburgh & Lake Erie for about $90 million.

The line, referred to as a "gold mine" because of its high earnings, was said by the trustees to be a "cornerstone" in their plans for restructuring of the bankrupt PC.

The investors had sought a 120-day option to buy.

LEGISLATION INTRODUCED ON THE HILL



H.R. 5600—Green

A bill to amend the Railroad Retirement Act of 1937 to provide that an individual who performed military service during a war service period may have such service credited for annuity purposes under that act even though he entered military service before such war service period began; to the Committee on Interstate and Foreign Commerce.

H.R. 5490—Clark

A bill to amend the Railroad Retirement Act of 1937 to provide a full annuity for any individual (without regard to his age) who has completed 30 years of railroad service; to the Committee on Interstate and Foreign Commerce.

H.R. 7161—Pickle

A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission certain authority over railroad car service when an emergency is or may be imminent, to the Committee on Interstate and Foreign Commerce.

H.R. 5512—Hastings

A bill to amend section 1(16) of the Interstate Commerce Act authorizing the Interstate Commerce Commission to continue rail transportation services; to the Committee on Interstate and Foreign Commerce.

S. 1407—Burdick

A bill to amend the Interstate Commerce Act in order to give the Interstate Commerce Commission certain authority over railroad car service when an emergency is or may be imminent; to the Committee on Commerce.

S. 1481—Magnuson

A bill to amend section 1(16) of the Interstate Commerce Act authorizing the Interstate Commerce Commission to continue rail transportation services; to the Comm. on Commerce.

H.R. 7131—Roncalio

A bill to provide more effective means for protecting the public interest in national emergency disputes involving the transportation industry, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 5822—Adams

A bill to create a not-for-profit corporation to acquire and to maintain rail lines in the Northeast region of the United States; to provide financial assistance for the acquisition, rehabilitation and maintenance of such rail line, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1328—Tunney

A bill to direct the Secretary of Transportation to make an investigation and study of the feasibility of a high speed ground transportation system between the cities of Sacramento, San Francisco, Fresno, Los Angeles and San Diego, in the State of California; to the Committee on Commerce.

H.R. 6591—Staggers

A bill to designate a network of essential rail lines; to require minimum standards of maintenance on such lines; to provide financial assistance for rehabilitation of rail lines and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 6482—Biaggi

A bill to amend the Urban Mass Transportation Act of 1964 to authorize increased and additional grants to improve mass transportation service in urban areas and for other purposes; to the Committee on Banking and Currency.

Crisis In Auto Insurance

No Fault Auto Insurance

The Answer To The Existing Ill-served System

The 111 million motorists in the United States are well aware of the crisis in auto insurance. Arbitrary cancellations, inordinately high premiums, unfair eligibility requirements and insufficient claims compensation all characterize a system aptly described by one insurance commissioner as a "legalized racket of colossal and cruel proportions."

A 24-volume Department of Transportation study on auto insurance, concluded:

"The existing system ill serves the accident victim, the insuring public and society. It is inefficient, overly costly, incomplete and slow. It allocates benefits poorly, discourages rehabilitation and overburdens the courts and the legal system. Both on the record of its performance and on the logic of its operation, it does little if anything to minimize crash losses."

THE EXISTING SYSTEM

Under the present system, called tort-liability, a person injured in an automobile accident cannot be compensated for his losses until fault has been determined—a process which often entails lengthy and expensive court proceedings. As a result, the DOT study found that auto insurance:

- Returns only 44¢ of every dollar paid in premiums to accident victims for losses.
- Compensates only 15 percent of all fatally or seriously injured accident victims.
- Delays final payments an average of 16 months to seriously injured victims or their survivors.
- Adds more than 200,000 cases a year to the nation's already over-burdened courts, tying up more than 17 percent of all judicial resources.

In terms of total premium dollars paid by policyholders in 1970, evidence shows that the lion's share of auto insurance premiums does not go to pay accident claims. Instead, of the $9.5 billion paid in premiums for personal injury and property damage liability coverage, $2.9 billion was skimmed off the top for lawyers' fees and court costs with another $2.1 billion paying agent commissions and other company costs. The remaining $4.5 billion went to accident victims for losses totaling $13 billion.

Obviously, then, it is not the policyholders but the insurance companies and lawyers that are getting rich off of the existing insurance system and at the expense of the accident victim.

Yet the most inhumane aspect of this system is the undercompensation of seriously injured accident victims while small, often artificially inflated minor claims, frequently settled out of court, are compensated at two to three times the actual accident loss.

For example in 1970 accident victims in the $1,000 and under loss category, whose average losses were $635, received back $1,408 or about two and one-half times the legitimate loss. However, at the other end of the loss spectrum, in the serious and often fatal $10,000 and over accident loss category, where average damages were $52,650, the accident victim recovered only $9,040 or 17 percent of their expenses. As a result, overall the average accident victim in 1970 lost $10,235 while recovering only $5,159 or just about 50 percent of his losses.

Thus, while the average motorist purchases automobile insurance to pay all of his accident losses particularly catastrophic financial loss in a serious or fatal accident, it is these serious losses which are grossly undercompensated.

REFORM IS NEEDED

Legislation is now before the 93rd Congress that would reform the auto insurance system. The most promising reform — no-fault auto insurance — is advanced in S354, sponsored by Senators Warren G. Magnuson and Philip A. Hart, and a slightly different version, HR10, introduced by Representatives John E. Moss and John Dingell.

No-fault would, as its name implies, untie auto accident compensation from fault determination thus eliminating unnecessary and lengthy legal fights. It would insure full and immediate payment of accident losses, particularly catastrophic losses, improve insurance coverages and reduce insurance premiums. Insured motorists would be better protected against arbitrary policy cancellation, nonrenewal practices and assignment to high-risk insurance pools.

Organized labor and major consumer groups have endorsed national no-fault legislation. But proponents of the present system are undercutting the federal no-fault effort by urging only state action to correct existing inequities. These opponents of no-fault—principally state lawyer and insurance lobbies—have successfully blocked passage of effective no-fault in 39 of 48 states.

Gas Scarcer, Costlier; How To Save It

EVEN WITH THE SUMMER driving season still to come, service stations in some parts of the country already are rationing gas by such methods as limiting how much you can buy, limiting hours of sale, and so on. At the same time, prices have been increased.

If you own a big car loaded with accessories, and drive the typical 12,000 miles a year, you can figure that you may use 1,000 gallons a year at an annual cost in the neighborhood of $400. A combination of higher prices and reduced mileage can well cost you another $50 this year.

There's also a hidden price increase. Independent marketers who sell unadvertised or house brands at cut rates have found it especially hard to get supplies. Over 300 independent retailers were reported shut down by early May.

Several reasons have been offered for the shortage, with some indication that it may be partly artificially induced. The Consumer Federation of America has pointed out that independent refiners are operating at only part capacity. They could produce more gas if the large oil companies made available more supplies of crude oil.

But there is no doubt that more conservative use of gas by car owners could help restrain their own operating costs and the nation's trade deficit. Almost one-third of our oil now is imported. In recent years, with the encouragement of car manufacturers and oil companies both, we've gone on a real gas-swigging binge. While consumption of heating oil has gone up 18% in the past ten years, gasoline use has jumped 50 percent.

The unexpectedly huge increase in consumption is due not only to the greater number of cars but to the emission-control devices on new models and use of more accessories such as air conditioning and power-assisted controls.

But even with more accessories, most car owners can reduce consumption. Here's how:

Fuel-saving starts with the car. Both the weight of the car and the size of the engine affect consumption. Other factors equal, a 3000-pound car may get 30-40% more mileage than one weighing 4,000.

Bigger engines also play a part. A recent government study found, as one of several examples, that a 1973 3,500-pound Plymouth Valiant with a 198-cubic inch engine got about 18 miles to the gallon, A 4,500-pound Plymouth Satellite with a 400-cubic inch engine got only eight miles. A 2,750-pound Chevrolet Vega with a 140-cubic engine got 21.5 mpg. A 5,000-pound Chevrolet Suburban with a 350-cubic inch engine got only a little over seven.

Most of the full-size station wagons proved to be big gas eaters with 7 to 8 mpg. Even most of the current-model full-size standard cars now provide only about 9 to 10 mpg. Intermediates provide about 10 to 13 mpg, and the compacts, about 18 to 22.

Tires are another factor. Radial tires save about 10% of gas but you need them all around. You can't mix radials and bias-ply tires. But any tires get more gas mileage fully inflated. Five pounds of underinflation wastes a half gallon of every 20 gallons.

"Tire drag" also reduces mileage. A wheel out of alignment (toeing in or out) by one degree increases drag about 8%. (Poor alignment also damages tires and increases steering hazard.)

So are driving habits. Besides reducing unnecessary gas use as through consolidating errands and using carpools and public transportation when feasible, improving driving habits is the simplest way to get more mileage, Jack-rabbit starts, driving unnecessarily in low gear, racing for the red light and hard braking rather than gradual deceleration all consume more gas. So does long idling while you run into a store, or wait for your wife. Keeping an even speed helps take advantage of momentum. If you have air conditioning, don't use it unnecessarily. Mileage drops especially sharply over 40 mph. If you get 18 mpg at 40, you can expect only 16 at 50 and 14 at 60. In general, you can expect fuel costs to increase about 33% more at 70 than at 50.

And poorly-tuned engines. Poorly tuned engines with carburetor misadjustments and late ignition timing are common causes of undue gas consumption. A dirty air filter can cut mileage 10%. A slow-acting or stuck choke; engine idle set too high (but it needs to be high enough to prevent stalling); dragging brakes; faulty spark plugs; stuck heat control or thermostatic valve; too-thick motor oil—all reduce mileage.

FRA report for February:

Accidents Up, Casualties Down

The Federal Railroad Administration's preliminary report of accidents and resulting casualties for the month of February, 1973, shows that accidents were up as compared with the same month a year ago, while casualties were down.

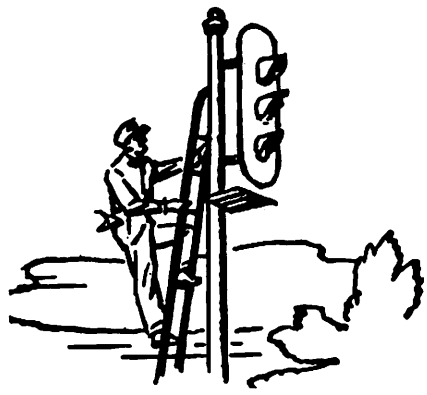
There were 716 train accidents during February, of which 30 resulted in casualties. This compares with a total of 560 accidents during the same month a year ago, of which 31 resulted in casualties.

The total number of persons killed in train accidents during February, 1973, was 133, while another 1,362 were injured. This compares with the same month a year ago when there were 156 killed and 1,474 injured.

Highway grade crossing accidents during February, 1973, resulted in the death of 92 persons and injury to 319. This compares with 118 deaths and 313 injuries in February, 1972.

The two months ended February 28, 1973, saw a total of 1,479 accidents of which 62 resulted in casualties. This compares with the same two-month period a year ago when there were 1,248 accidents resulting in 58 casualties.

The grade crossing death toll for the two months ended February 28, 1973, was 210 with another 657 injured. This compares with the corresponding two-month period of 1972 when there were 233 deaths and 630 injuries.



Signalmen's Sickness Agreement

(Cont'd from page 126)

above, with provision, in cases in which an insurance contract implementing this Agreement is involved, for enlargement of such Committee to include such representatives not in excess of two as the insurer may designate, and that in such cases if the enlarged Committee cannot agree, and cannot agree on a procedure for disposition of the dispute, it will be submitted to arbitration.

(d) All of the decisions reached in accordance with the foregoing procedures in Subparagraphs (a), (b) and (c) shall be final and binding.

(e) All expenses in connection with the resolution of disputes under this Paragraph 10 shall be borne by the party (railroad, labor organization, insurer or employe) incurring them, provided that fees and expenses of neutrals who may serve under the provisions of Subparagraphs (a), (b) or (c) will be divided equally among the parties involved.

11. **Non-Governmental Plan for Sickness Insurance.** Effectiveness of the Supplemental Sickness Benefit Plan is conditioned upon a favorable ruling from the Railroad Retirement Board that such Plan qualifies as a "non-governmental plan for sickness insurance" under Section 1(j) of the Railroad Unemployment Insurance Act, request for which ruling shall be submitted jointly by the National Railway Labor Conference and the labor organizations of shop craft and signal employes.

12. **Sick Leave Rules, and Other Sickness Benefit Plans.** Any existing agreements, practices or plans under which railroads parties to this Agreement provide sickness benefits or paid sick leave for employes covered by this Agreement will be terminated effective midnight June 30, 1973, subject to any provisions of such plans for extended benefits for employes who had become disabled prior thereto. In the application of this paragraph to agreements or rules providing paid sick leave, employes disabled prior to midnight June 30, 1973 will be granted sick leave on and after July 1, 1973 so long as they continue disabled by the same disability until they have exhausted the sick leave to which they would have been entitled under such rules; no payments under such rules will be due to any employes with respect to unused sick leave.

13. **Blanking Jobs and Realigning Forces.** Any restrictions against blanking jobs or realigning forces will not be applicable in situations in which an employe whose job is blanked or is covered by a realignment of forces is absent because of disability. On railroads on which prior to July 1, 1973 there were such restrictions, in case an employe is absent because of disability and more than one employe is invoved in a realignment of forces to cover such absent employe's work, local officials will promptly inform the local representatives of employes as to the realignment in an endeavor to avoid misunderstandings.

14. **Effect of this Agreement.** This Supplemental Sickness Benefit Agreement, entered into pursuant to letter of understanding dated November 16, 1971 in connection with agreement of that date, is in full disposition of the matters covered by such letter of understanding. Anything in such letter in conflict with, or not included in, this Agreement is of no effect.

15. **Duration.** The Supplemental Sickness Benefit Plan established hereby will continue in effect without change until January 1, 1976, and thereafter except as it may be modified or terminated pursuant to the provisions of the Railway Labor Act. No notice to change the Supplemental Sickness Benefit Plan, and no notice dealing with the matters of sick leave, sickness benefits, or any other matter covered by this Agreement, may be served by any party to this Agreement prior to July 1, 1975 (not to become effective prior to January 1, 1976). This Paragraph will not bar changes in this Plan by mutual agreement of the National Carriers' Conference Committee and the labor organization signatory hereto.

SIGNED AT WASHINGTON, D.C.
THIS 9TH DAY OF MAY 1973.

Nixon Plan Opposed: Unions Spur Action On Railroad Crisis

THE COUNTRY'S RAIL unions have appealed to Congress to quickly take the initiative in resolving the Northeast railroad crisis.

Although hearings have been under way for several months on what to do about the situation in that section of the nation, where six carriers are in bankruptcy, several rail labor organizations' testimony before a House Commerce subcommittee was the first given by unions on the issue.

Unions opposed a plan by President Nixon that would permit a big slash in rail service in the heavily populated area and provide no government involvement. They also testified against an Interstate Commerce Commission bill that would lease rights-of-way of carriers and rent them back to the management.

Labor emphasized that whatever action Congress takes, it must include measures for maintaining adequate service, not be piecemeal in its approach and assure adequate protective conditions for any workers who are adversely affected.

But from there on the unions' proposals differed:

UTU President Al H. Chesser called upon Congress to set up a Northeast Transportation Commission which would design rail systems for the area and report back to Congress no later than next Mar. 1. It could then move ahead with its plan within 90 days unless Congress disapproved.

Under UTU's plan, the commission would have nine members representing shippers, railroads, labor, state governments and consumers. Members would be named by Sen. Warren G. Magnuson (D-Wash.) and Rep. Harley O. Staggers (D-W. Va.), chairmen of the Senate and House Commerce Committees.

The railroads would be organized as profit-making, public service entities with half their stock going to railroads and half to the public "for widest possible distribution." There would be a national mortgage institution set up to establish a market for rail securities and offer government-backed obligations similar to the Reconstruction Finance Corp. of the "New Deal" days. Funding for rail rehabilitation would be supported by a shippers' tax similar to one recommended by the ICC.

BRAC, on the other hand, urged Congress to enact a bill introduced by Rep. Bertram L. Podell (D-N.Y.) which would create a Federal Railroad Transportation Authority to own and operate the six bankrupt roads—the Penn Central, Boston & Maine, Central of New Jersey, Erie Lackawanna, Lehigh Valley and Reading.

The federal government would purchase the properties at an amount not less than the creditors would receive if the trustees were forced to liquidate them. The federal operation, called "Federail," would be for two years after which there would be a report to Congress on the progress of reorganization.

news from Canada

Contract Talks Continue

BARGAINERS FOR 55,000 non-operating railway employes failed to reach agreement for a new contract in talks with Canada's two major railways. J. E. Platt, Grand Lodge Representative for Canada, is representing the Signalmen in the negotiations.

Dick Smith, chief bargainer for the non-ops, which includes the Signalmen, announced he had been notified by Labour Minister John Munroe that the companies were unwilling to submit an offer acceptable for settlement.

The main disputes are on wages, pensions, job security and sick leave. Negotiations have been going on since last November to replace a two year contract which expired December 31.

The non-operating railway employes include telegraphers, clerks, truck drivers, dispatchers, signalmen, laborers, telecommunications workers and sleeping car porters.

In addition to an increase of 28-30 percent increase in wages, the Union has demanded matching employer-employe contributions for a 2 percent pension-benefit formula. Pensions would be calculated by multiplying the number of years of service by 2 percent of the employes average annual salary average over his last five years of employment.

The very important job security demands are intended to make the existing programs more meaningful according to Mr. Smith. He added that the Unions are trying to get "employment stabilization."

In an effort to reach agreement the Unions revised their wage demands to 30 cents per hour the first year and 8 percent for the second year. Notwithstanding this move, the railways stood firm on their initial wage offer made last December 21 of 5 percent in the first year and 5 percent in the second year and made no change at all during the lengthy negotiations. Talks broke off on March 17 and the dispute has been submitted to conciliation.

* * *

CP chairman, I.D. Sinclair, presiding for the first time at an annual general meeting of Canadian Pacific shareholders, welcoming them to the meeting noted the Board of Directors were pleased to see that so many shareholders took an active interest in the affairs of the company.

Sinclair made a few comments about last year's results, about the prospects for 1973, and also told of the longer term outlook.

The annual report told the story of a year of progress for the company. The CP earnings objective was amply realized and it was noted it was particularly gratifying that such a wide range of company activities had a part in this achievement.

The improvement in CP Rail's earnings in 1972 was reported as encouraging, but the rate earned on net railway investment of 4.2 percent for the year was reported as unacceptably low. This return is barely more than half the rate currently used by many Canadian regulatory authorities in setting permissible levels of rates for services such as electric power, gas transmission and communications, Sinclair reported.

Sinclair noted that the present rate of return on railway investment left no leeway for absorbing even part of the higher costs resulting from wage settlements and from the advances in material prices and taxes which confront the CP daily. He told of an agreement reached recently with unions representing CP shopcraft employes that provided for increases in wages, pensions and other job benefits totalling 18.7 percent over a two year contract. Also of negotiations with unions representing operating employes that are underway, and that a board of conciliation has been authorized in the dispute with the associated non-operating employes.

He stated the CP can continue to expand its markets and increase its productivity—and shall do so—but not foreseeably by enough to match the increases in costs of railway operation. Like other businesses, he noted, the CP will have to adjust prices to provide the additional revenues needed.

The fact that Canadian railways have raised many of their prices since 1967, when the National Transportation Act was passed, has led some people to conclude that the Act was ineffective in keeping the nation's transportation costs down, Sinclair stated. There need be no fear on this score. Attention has been so firmly focused on rail price increases that price reductions made in response to competition and to cultivate markets for rail transportation have gone largely unnoticed and certainly unheralded. Fortunately, the record is all there—in figures from the waybill analysis of the Canadian Transport Commission.

Sinclair noted between 1967 and 1971, the latest year for which data are available, rail revenue per ton mile dropped from 1.54 cents to 1.36 cents—a reduction of about 12 percent. Western Canada benefited even more. The average rail revenue per ton mile within Western Canada—not including statutory grain, which is still moving at 1897 rates—dropped 27 percent to 1.22 cents at the end of 1971 from 1.66 cents in 1967. Thus one of the few real instances of lower prices today than a few years ago is rail transportation.

The company's results for the first quarter of 1973 show total earnings of $28.5 million for the period, equal to 38 cents per ordinary share. These were $15.1 million, or 21 cents per ordinary share more than earnings in the first quarter of 1972. Current high rates of economic growth in Canada and in the countries to which Canadian exports largely flow are reflected in these results.

Net railway earnings amounted to $14.7 million, up $7.5 million. An important factor contributing to this appreciable increase was the more favorable operating conditions in Western Canada during the past winter. In the first quarter of 1972 unusually heavy snow storms on the Pacific Region disrupted rail traffic and created car shortages throughout the whole system, Sinclair said.

He noted improvement of $1.5 million in earnings reported by CP Air for the three months was, as in the case of rail, partly attributable to the fact that problems beset the first quarter of 1972.

Particular strength was evident in the earnings of Canadian Pacific Investments Limited, which amounted to $16.1 million in the first three months, up $6.1 million from the opening quarter of 1972. Heavy demand for lumber and resurgence in the pulp and paper industry, higher prices for oil, good markets and firm prices for base metals, all contributed to this result.

Sinclair spoke of the results of shipping in the quarter and that they were disappointing. Canadian Pacific Steamships Limited incurred a loss, partly because of inadequate rate levels for eastbound container traffic and reported some progress has been made toward remedying this situation.

He spoke of the unfortunate mishap which occurred to one of the CP container vessels, MV CP Ambassador, about 450 miles off the coast of Newfoundland.

In discussing the company's prospects in the Annual Report, the CP said that substantial growth appeared to be in store for the Canadian economy in 1973 and in such a setting the company would make further gains in earnings.

When discussing the longer term and what the shareholders in Canadian Pacific have to look forward to, Sinclair stated stockholders will still find solid, substantial reasons for thinking that an investment in Canadian Pacific is a good investment. Foremost among these reasons is the fact that the company's earnings base has been, and is being, broadened in a systematic way.

He said the CP is now working and planning so that $100 million will become the earnings floor, from which they move upward. The Directors expect that in 1973 total earnings will be well above $100 million.

Looking at CP transportation business one finds a capability that is unique, and a market approach geared to making full use of this unique position.

Within CP Rail there is scope for extension of trainload movements and unit train operation. Through participation in the joint venture Incan Marine Limited and by adding to its west coast rail-barge and ferry fleet, CP Rail is widening its market range.

Labor Relations:

Collective Bargaining Conference Held

TOP GOVERNMENT OFFICIals directly involved in formulating Federal labor laws and policies, along with experienced labor law practitioners from the private section, spoke at the 1973 Briefing Conference on NEW DEPARTURES IN THE LAW OF COLLECTIVE BARGAINING at the Sheraton Park Hotel, Washington, D.C., on June 11 and 12, 1973.

The two-day conference was sponsored by The Federal Bar Association and The Bureau of National Affairs, Inc. (BNA), the Washington publisher of labor information including the *Labor Relations Reporter* and the *Daily Labor Report,* as well as legal, economic, tax, environment, safety, and financial information.

The program speakers included key officials from the Senate Labor Committee, the Department of Labor, the National Labor Relations Board, and the Equal Employment Opportunity Commission.

The initial morning program featured an in-depth analysis of job safety and health bargaining with emphasis on current litigation, bargaining implications, and arbitration issues. Speakers included representatives of labor, management, government, and an arbitrator.

The first afternoon session explored equal opportunity and affirmative action, including current issues, e.g., the AT&T and Bethlehem Steel settlements, bargaining implications, the duty to bargain, and the impact on contract rights.

During the second day, the speakers analyzed labor arbitration issues, including the effects and consequences of the Collyer decision and new wrinkles in expedited and interest arbitration. The program concluded with a session covering pending Federal labor legislation; including regulation of private pension plans, and amendments to the Fair Labor Standards Act; the implications and potential litigation possibilities was analyzed.

House Votes Rail Pension Finance Plan

The House voted 387-to-5 to approve a bill allowing the nation's railroads to assume a greater share of the cost of the railroad retirement system.

In a Mar. 7 agreement with representatives of 14 rail unions, the carriers agreed to pay all retirement costs above the social security level of 5.85 percent, starting on Oct. 1. This will mean an increase in take-home pay of up to $42.75 a month for rail employes.

The agreement requires congressional approval before it can be put into effect. The House-approved measure, introduced by Rep. Harley Staggers (D-W. Va.), must now be approved by the Senate.

Sen. William Hathaway (D-Me.) has introduced similar legislation in the Senate. Hearings on the measure were held during the later part of May before a Senate Labor subcommittee on railroad retirement, which Hathaway heads.

The House bill also includes a provision enabling the railroads to secure expedited action from the Interstate Commerce Commission on rate increases to finance the higher retirement costs.

Eleven of the 14 unions involved in the March settlement now have ratified the 18-month agreement.

Belle Of The Rails Getting All Steamed Up For Date At Old Milwaukee Days June 29

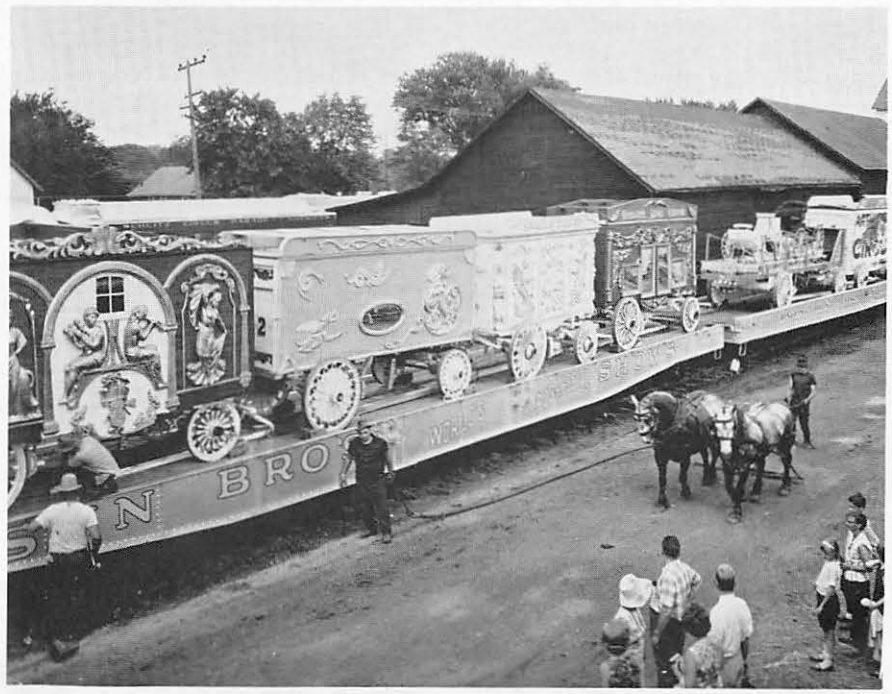
IF A VINTAGE STEAM LOCOmotive and a historic steam calliope could shake hands, there'd be some rootin' tootin' shakin' at the Circus World Museum in Baraboo, Wisconsin, come June 29.

This became the happy prospect when Robert A. Uihlein, Jr., chairman and president of the Jos. Schlitz Brewing Company, confirmed that for the first time in five years a steam locomotive will power the Old Milwaukee Special as the half-mile-long Schlitz Circus Train makes its annual 122-mile run from Baraboo to Milwaukee.

The engine is Southern Railway's famous No. 4501, 78 feet and 136 tons of steam and steel which will thunder all the way from Dixie to signal the start of Old Milwaukee Days, the six-day celebration whose crowning climax is the Schlitz Circus Parade which gives the nation's birthday its smartest salute on the Fourth of July.

Old Milwaukee Days is sponsored by Schlitz in cooperation with the Circus World Museum, which is owned and operated by the State Historical Society of Wisconsin. And Southern's No. 4501 will be one of the stellar attractions this year, coddling its priceless cargo of 68 authentic circus parade wagons on a leisurely nine hour trip through the Wisconsin countryside—from Baraboo departure at precisely 6:00 a.m. on Friday, June 29, to arrival at the Milwaukee Lakefront at approximately 2:30 p.m.

Although this trip probably marks the first time a Southern Railway engine ever rolled on Wisconsin tracks, old 4501 and the Circus World Museum's renowned "America" steam calliope are certain to be old friends from the days when the big shows all used rail travel, and circus day in Dixie was like Christmas, New Year's Eve and Independence Day all rolled into one.



When Southern Railway's famous vintage locomotive #4501 steams onto the tracks of the Circus World Museum at Baraboo, Wis., June 29 to pull the Old Milwaukee Special to the lakefront Showgrounds in preparation for the great Schlitz Circus Parade revival in Milwaukee on the Fourth of July, the grand iron lady of the Dixie rails will find the 29-car train ready to roll—with its priceless cargo of 68 historic wagons already loaded by sturdy Percheron "pull-up" teams in the old big-top tradition.

So it is likely that the iron lady they call 4501 will hold reunion with numerous other wagons aboard the long flatcars of her 29-car consist, harking back to the days when somebody invented the slogan "The Southern Serves the South."

It also served the circuses on overnight runs of from 75 to 300 miles or more when the new-town-every-day schedule of American touring big tops was a miracle that boggled the imagination, testing mind and muscle of circus men and railroaders alike.

From the time five years ago when the Old Milwaukee Special last employed a steam locomotive to haul the Museum's wagons, costumes, props and animals to the lakefront showgrounds in Milwaukee and then switched to diesel power because the parade became bigger and the train longer and heavier, the search for a suitable steam front has been pressed continually. As Uihlein said, "it adds authenticity and excitement to the whole occasion."

This year the train will follow the 1972 route, over Chicago and Northwestern tracks between Baraboo and Madison and over the rails of the Milwaukee Road from the state capital of Wisconsin to the parade capital of the world. Stops will be made in Madison, Oconomowoc and Wauwatosa.

The Southern's 4501 is sylvan green with gold leaf and is as photogenic as a parade wagon. She was born in 1911 at the Baldwin works in Philadelphia and in her early days wore black and green with a spread eagle up front. Traditionally, she and her engineer kept steady company; she had her own special whistle and her regular fireman who not only looked after her considerable gastronomical requirements but kept her brass gleaming like the face of a kid at his first circus.

And she flirted outrageously with the shopmen, one of whom wrote: "We liked all them other engines, but there was something special about her that drew us to the old gal like hogs to corn. I guess we just

all fell in love with her from the start."

It seems appropriate that the pride of Dixie has been chosen to perform the railroad glamor job for Old Milwaukee Days. Because 4501, and many of the aged parade gems she will be escorting from Baraboo to Milwaukee and back, were once prime candidates for the scrap heap.

But instead they had a date with destiny. The handsome locomotive was refurbished to sparkle even brighter than in her halcyon days, while the magnificent parade wagons were restored to their original elegance by the wizards of the Circus World Museum's "beauty parlor."

Now, to toast their reunion after all the years apart, the "America" calliope and No 4501, the oldest pals on the Old Milwaukee Special trip—one pulling, one riding—will roll into old Milwaukee proudly sporting their plumes of steam and each making her own marvelous music.

Labor's Image Outshines Business in School Poll

HIGH SCHOOL STUDENTS feel that organized labor is doing far more to meet its social responsibilities than are the nation's business firms, according to a poll taken for the Illinois Chamber of Commerce.

Parade magazine, the Sunday newspaper supplement, reported in its April 22 edition that the students told the Chamber pollsters corporations show little interest in the needs of people, while rolling up excessive profits and inaccurately advertising their products.

The poll, conducted among 3,000 high school seniors and juniors, also revealed that they have a greater trust in unions, Parade magazine reported.

Almost 60 percent of the students declared that unions were the organizations most responsible for raising the living standards of the average American worker.

While not admitting that the poll backfired, state Chamber of Commerce President Lester W. Brann, Jr., said: "The findings illustrated that the true story of business is not being told to students and others. . . Business is spending untold millions in far-ranging programs to expand its social responsibility role."

The Parade article concluded: "That may well be—only an awful lot of students clearly doubt it."

NOTICE TO ALL MEMBERS, LOCAL LODGES AND GENERAL COMMITTEE OFFICERS

After June 15, 1973 all correspondence addressed to Grand Lodge Headquarters or officers assigned to Grand Lodge Headquarters should be sent to:

BROTHERHOOD OF RAILROAD SIGNALMEN
601 W. GOLF ROAD
MOUNT PROSPECT, ILLINOIS 60056

This change also includes all correspondence to The Signalman's Journal or the Journal Editor.

We expect to commence moving the offices shortly after June 15 and complete the move before July 15.

Our present telephone number (312) 561-7355 will remain active until the move is complete and then the telephone number at our new Headquarters building will be (312) 439-3732.

Determine Your Rights Under FELA

Members who are injured on the job and the dependents of those members who have been killed or have died as the result of such injuries should by all means ascertain their rights and benefits under the Federal Employers' Liability Act before attempting any settlement with the railroad.

Below is a list of attorneys who, on the basis of information made available to us, are competent to give full information and assistance to those in need of it.

This list is compiled and maintained on the strength of information furnished us by both attorneys and members. The accuracy of the list that we will publish from time to time depends entirely on the information furnished us. Therefore, everyone concerned is urged to keep us informed regarding cases handled, nature of the case, terms of the settlement, commendations, criticisms, etc.

THIS INFORMATION SHOULD BE FORWARDED TO PRESIDENT C. J. CHAMBERLAIN AT GRAND LODGE HEADQUARTERS.

Aurora, Colo. 80010. John J. Rossi, Morrisard & Rossi, 1901 Peoria St., Suite 202 Tel. (303) 364-9369

Baltimore, Md. 21202. Savage, Jones, Tingle & Schwartzman, 10 Light St., 30th Floor, Maryland National Bank Bldg. Tel. (301) 685-2713

Bergenfield, N. J. 07621. Charles J. Tyne, 104 N. Washington Ave. Tel. (201) 384-9433

Birmingham, ALa. 35203. Rives, Peterson, Pettus, Conway & Burge, 800 First National-Southern Natural Building, 1900 Fifth Avenue North Tel. (205) 328-8141

Boston, Mass. 02108. Francis H. Farrell, Suite 701, Old South Bldg., 294 Washington Street Tel. (617) 542-3270

Chicago, Ill. 60602. Henslee-Monek - Henslee, 120 Madison Bldg. Tel. (312) 782-5925

Cleveland, Ohio 44114 Howard M. Metzenbaum, Metzenbaum, Gaines, Finley and Stern Co., 1700 Investment Plaza, 1801 East 9th Street Tel. (216) 696-4666

Denver, Colo. 80202. Alex Stephen Keller, 316 Symes Bldg. Tel. (303) 255-3603

Fort Worth, Tex. 76102. Winfred Hooper, Jr. Hooper, Steves & Kerry 200 Fort Worth Club Bldg. Tel. (817) 335-9377

Houston, Texas 77002. Norman R. Jones, 1200 Houston First Savings Bldg. 711 Fannin St. Tel. (713) 255-0663

Indianapolis, Ind. 46204. Edward J. Erpelding, 111 Monument Circle, Suite 500 Tel. (317) 638-7771

Kansas City, Mo. 64105. Norman R. Jones, Suite 1420, Commerce Tower, 911 Main Street Tel. (816) 421-5411

Kansas City, Kans. 66101. Ratner, Mattox, Ratner, Ratner & Barnes, Suite 224, One Gateway Center Office Bldg., 5th at State Street Tel. (913) 321-2619

Los Angeles, Calif. 90012. Clifton Hildebrand, 205 S. Broadway, Suite 400 Tel. (213) 629-2214

Los Angeles, Calif. 90036. Bodle, Fogel, Julber, Reinhardt and Rothschild, 5900 Wilshire Blvd., Suite 2600 Tel. (213) 937-6250

Miami, Fla. 33130. Hastings, Elias & Goldman, 315 Biscayne Bldg., 19 West Flagler St. Tel. (305) 377-9481

Minneapolis, Minn. 55402. Rerat, Crill, Foley & Boursier, 656 IDS Center, 80 South Eighth Street Tel. (612) 339-9231

Oakland, Calif. 94612. Clifton Hildebrand, 1212 Broadway Tel. (415) 451-6732

Pittsburgh, Pa. 15219. Evans, Ivory & Evans, 711 Frick Bldg. Tel. (412) 471-3740

Salt Lake City, Utah 84101. Wayne L. Black, Suite 400, Ten West Third South St. Tel. (801) 328-9741

San Antonio, Tex. 78205. George L. Schmidt, 1515 NBC Bldg. Tel. (512) 227-7565

Seattle, Washington 98104 Piehler & Allerdice 924 Arctic Bldg. Tel. (206) 624-4700

Syracuse, N.Y. 13202. J. Murray Dunn, 707 State Tower Bldg. Tel. (315) 422-0303

Tucson, Ariz. 85719. John P. Somers, 2016 East Broadway Tel. (602) 623-6111

Vicksburg, Miss. 39180. James B. Ramsey, First National Bank Bldg. Tel. (601) 636-5561

Wichita, Kans. 67202. Ratner, Mattox, Ratner, Ratner & Barnes, 444 No. Market, P. O. Box 306 Tel. (316) 262-6423

Wichita, Kans. 67202. John C. Frank, 615 Union National Bldg. Tel. (316) 264-0346

Why The Signalmen's Political League?

THIS MONTH EACH ACTIVE and retired member is being asked to contribute $2 to the Signalmen's Political League.

What is the SPL? Why should our members contribute to the SPL?

Our organization, like other unions has learned through bitter experience that there is a powerful link between the bread box and the ballot box. We found out that gains won at the bargaining table can be wiped out by unwise actions in Congress or in state legislatures.

Members have also learned that today's wage increase can be negated by tomorrow's inflation . . . and that today's job can be lost in unemployment brought about by unwise national economic and trade policies.

For labor's own protection, railway labor and Signalmen's own protection, we seek to elect friendly candidates to Congress and to the various state legislatures. And that is where the Signalmen's Political League comes in—to help elect BofRS friends to political offices.

Why the SPL Needs your $2

In order to help these friendly candidates, our organization has to give financial assistance. Most candidates, who are supported by labor's program, often cannot find sources of funds needed to carry on a decent campaign; their opponents, on the other hand, are well-bankrolled by special interests and business groups and the wealthy.

Under Federal law, labor organizations may not contribute funds to candidates for Federal office, that is to candidates for the U S. Senate and U.S. House or for President.

Therefore, unions, including the Signalmen, must turn to their members for voluntary contributions. Only through such contributions—raised by our organization through the SPL—may labor give direct aid to Federal candidates.

The cost of campaigning has reached all-time highs. In 1956, all elections cost a total of $100 million; by 1968, it was estimated the cost had risen to $300 million and in 1972, it is expected the final costs will be near $400 million.

Some campaigns for U.S. Senator have cost candidates nearly $2 million; even in states the size of Wisconsin, candidates have had to spend $400,000 in their Senate campaigns. The cost of running for a Congressional seat has reached over $100,000 in many cases.

Obviously, the contributions of the labor movement represent only "a drop in the bucket" in the total picture; but the "drop" has proven to be a mighty effective one Because of early contributions by labor organizations, many candidates have been able to plan their campaigns early and take advantage of getting a headstart. That is why the 1973 SPL Fund Drive is so important to help pay off last election debts and to build up a balance which can be distributed early to friendly candidates in 1974.

There is no such thing as "off-year" in politics, President C. J. Chamberlain stated. "Congress is considering legislation that would amend the Railroad Retirement Act of 1937 to revise the railroad tax rates. The bill would also extend the 10, 15 and 20 percent increases in railroad retirement annuities until December 31, 1974. Under the existing law these increases will automatically expire July 1, 1973 unless Congress enacts new legislation.

"The House passed H.R. 7200, introduced by Congressman Harley O. Staggers of West Virginia The Senate is now considering this bill and other bills dealing with railroad retirement tax and annuities."

Passage of this legislation is a must; the Signalmen's recent wage settlement was negotiated on the basis of passage of legislation that would make the required changes in our Railroad Retirement Act.

We must see that this legislation is passed and that Congress also takes action to pass legislation that is supported by rail labor, and will relieve our Northeast rail situation.

To accomplish this, our organization must have funds in our Signalmen's Political League to assist friends in Congress who are still confronted with last year's campaign debts.

We need your help—send your $2 today.

Federal Funding Urged To Make Crossings Safe

REP. ROBERT P. HANRAhan (R., Ill.) urged that the federal government pay the full cost of eliminating hazardous railroad crossings in Illinois.

Hanrahan, at a press conference in Dolton, said that Illinois and particularly his south suburban district, has a greater problem with dangerous crossings than other states.

"In 1971, in the state of Illinois alone, there were 242 accidents at rail grade crossings in which 89 persons were killed and 275 injured," he said in a statement.

"Calumet City police alone reported eight automobile accidents at rail crossings in 1971. Four fatalities resulted.

"School bus safety is also a part of the problem. Since 1967, school buses have been involved in an average of 250 near misses annually," Hanrahan said.

ILLINOIS in 1970 had 16,275 open grade crossings, 7.5 percent of the national total and one-quarter more than any other state, according to Hanrahan.

Cook County has about 10 percent of the state's total, he said.

Hanrahan called on local officials to testify Tuesday in Washington for passage of a bill he introduced last month that would authorize 100-percent federal funding to eliminate the dangerous crossings.

A Hanrahan spokesman estimated that it would take about $1 million to eliminate each of the crossings.

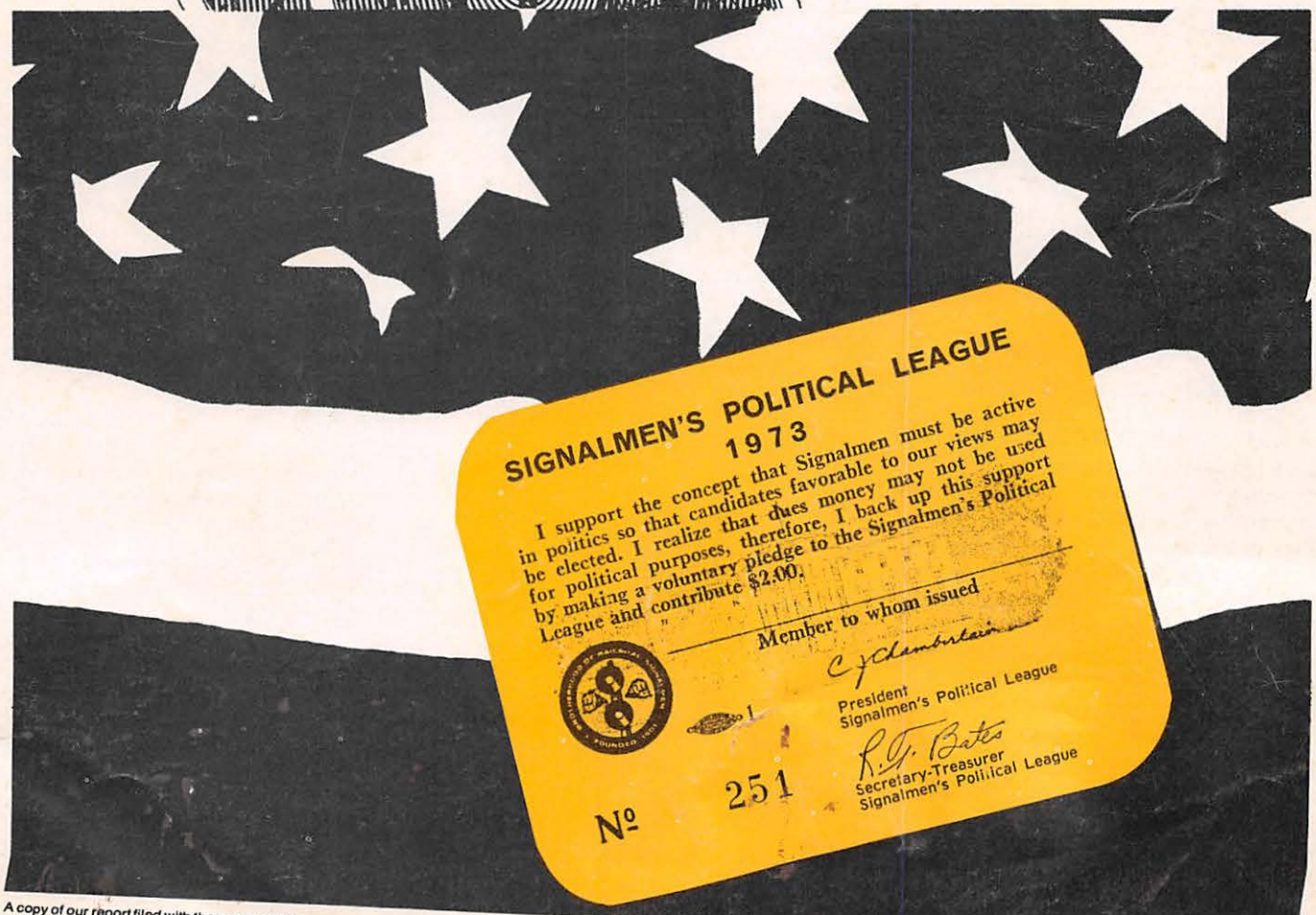
Put in YOUR $2 Worth

An Investment in the Future

. . . not just your own future, but the future of the country. Your best buy in legislative action is the $2 contribution BofRS active and retired members are making in joining the Signalmen's Political League. Your 1973 SPL membership supports vital year-round activity on the local, state, and national legislative fronts to help enact measures to deal with the country's pressing problems, to elect labor's friends, and to pass laws to help working men and women.

This year, 1973, every active and retired member of our organization should join the Signalmen's Political League and help support railroad retirement and other railroad legislation.

Send your $2 contribution to R. T. Bates as your investment in the future.


SIGNALMEN'S POLITICAL LEAGUE
1973
I support the concept that Signalmen must be active in politics so that candidates favorable to our views may be elected. I realize that dues money may not be used for political purposes, therefore, I back up this support by making a voluntary pledge to the Signalmen's Political League and contribute $2.00.
Member to whom issued
President
Signalmen's Political League
Secretary-Treasurer
Signalmen's Political League
No 251

A copy of our report filed with the appropriate supervisory officer is (or will be) available for purchase from the Superintendent of Documents, United States Government Printing Office, Washington, D.C. 20402